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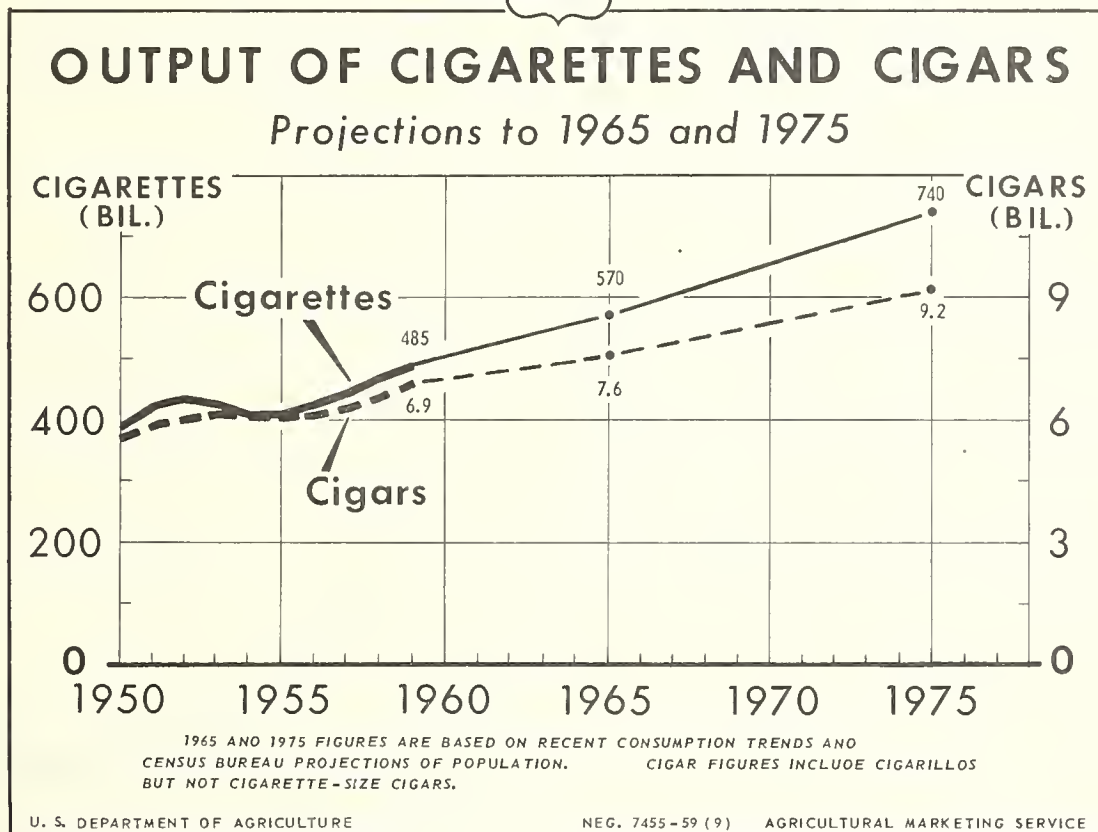
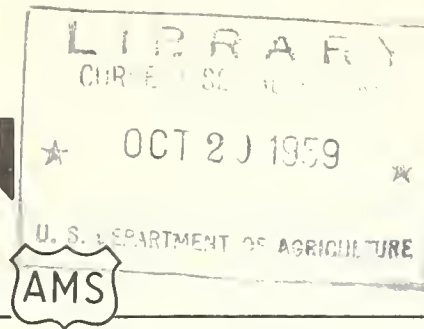
TOBACCO SITUATION

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The number of cigarettes manufactured in 1959 will set a new record of approximately 485 billion--about 15 billion above 1958. Cigar and cigarillo output probably will be near 6.9 billion, about 350 million above 1958 and the highest since 1923. About 58 million persons in the United States (including overseas forces) smoke cigarettes regularly (every day). About 12 million men smoke cigars but a substantial proportion are occasional cigar smokers

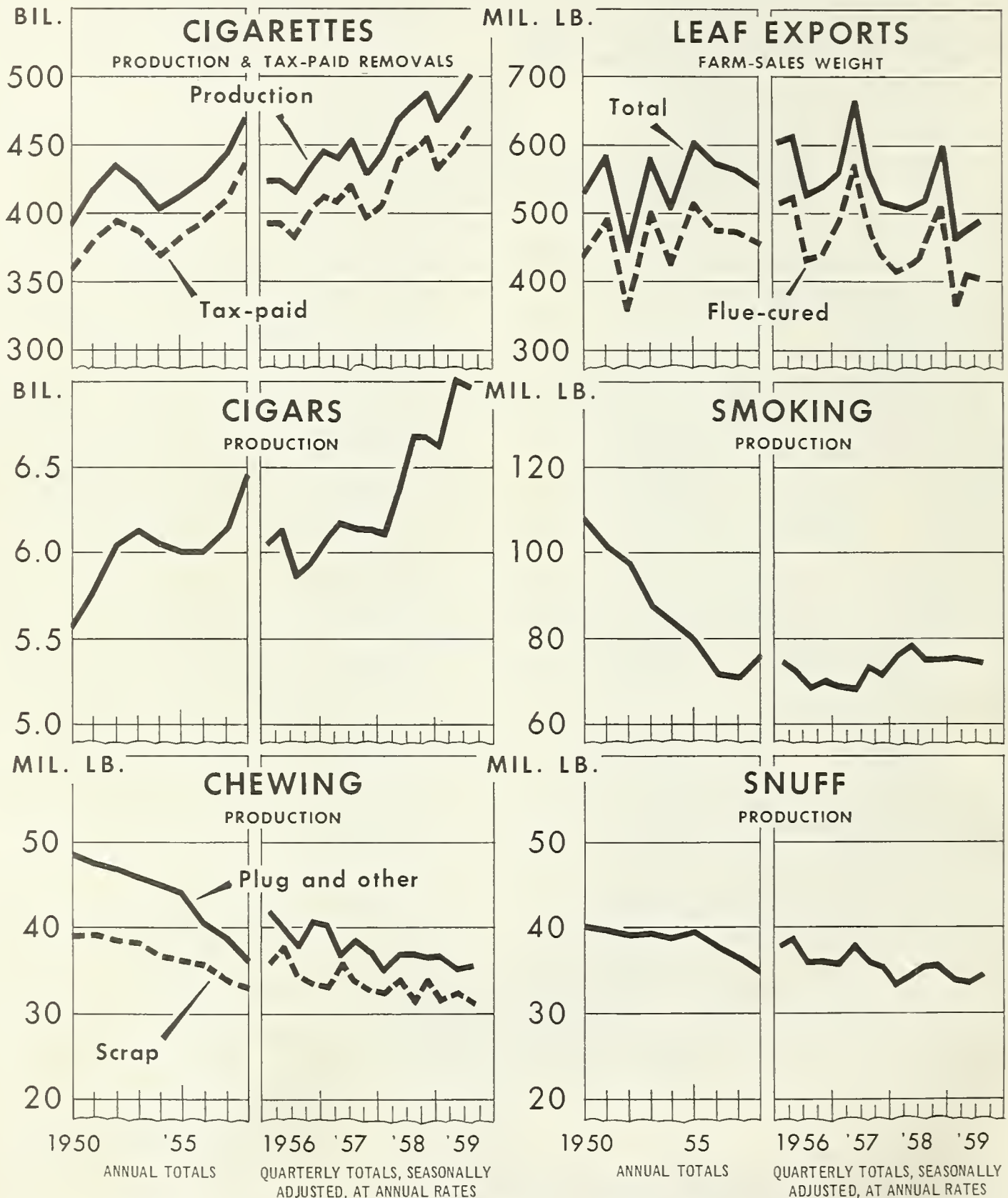
(not every day). Exports take around 4 percent of cigarette output but relatively few cigars.

Assuming a continuation of the smoking trends of recent years and based on the increases expected in the population of smoking age, cigarette output may rise about 18 percent by 1965 and 53 percent by 1975; cigar and cigarillo output is projected to increase about 10 percent by 1965 and 33 percent by 1975.

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UNITED STATES DEPARTMENT OF AGRICULTURE

TOBACCO OUTLETS

Recent Trends in Manufactured Products and Exports



LAST QUARTER SHOWN, PARTLY ESTIMATED

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T H E T O B A C C O S I T U A T I O N
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Approved by the Outlook and Situation Board, September 22, 1959

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SUMMARY

Consumer demand for cigarettes, cigars and cigarillos has been strong in 1959 and further gains in consumption of these products are expected in 1960. Consumption of smoking and chewing tobacco and snuff has declined some this year. No appreciable pickup in smoking and snuff appears likely in 1960 and use of chewing tobacco will probably continue to trend downward. Exports of all types of unmanufactured tobacco combined in the 1958-59 marketing year held about even with 1957-58; but the 1959 calendar year volume seems likely to be below that of 1958.

Total production of tobacco this year is about 7 percent above 1958 but the third smallest since 1943. Carryovers of most kinds of tobacco as of the beginning of the 1959-60 marketing year are lower than a year earlier. For most kinds, this year's crops added to the carryovers will provide smaller total supplies for the 1959-60 marketing year than those for 1958-59. Supplies will be appreciably lower than the high levels of 3 to 5 years ago.

Cigarette output this year is estimated at a record 485 billion compared with 470 billion in 1958. The quantity of domestic tobacco utilized in cigarettes has gained little in the last few years despite a substantial increase in the number manufactured. On the average, manufacturers get more cigarettes per pound of unstemmed tobacco than a few years ago. This is mainly attributable

to the use of sheet tobacco and additional stems, and the smaller tobacco column in many filter tip cigarettes than in the case of nonfilter tips. Utilization of imported tobacco in cigarettes has increased in recent years. It is estimated that this year U. S. cigarettes on the average contain about 10-1/2 percent imported tobacco compared with 8-1/2 percent 5 years ago.

The number of persons in the continental United States and among the overseas forces who smoke cigarettes regularly is estimated at approximately 58 million--35 million men and 23 million women. These cigarette smokers comprise about 58 percent of the male, and 36 percent of female, population 15 years and over. Cigarette consumption in 1960 is expected to continue to gain mainly due to the increase in population and the probability of a larger proportion of smokers among women.

The 1959 consumption of cigars and cigarillos produced in U. S. manufacturing plants is estimated at 6.9 billion--7 percent above 1958. Unit output will be the highest since 1923. However, about 15 percent of this year's output will be cigarillo-size cigars which were of little significance during the years of high output in the 1920's. It is estimated that about 12 million men smoke cigars--about 1 out of 5 of those 18 years and over. About 3.3 million smoke cigars every day and the other 8.7 million smoke them occasionally.

Cigarette-size cigars--not counted with large cigars and cigarillos--have had a resurgence after being at a very low level for many years. Output this year might approach 600 million--10 times the 1953-57 average. However, taxpaid removals in recent months have been far lower than in the early part of the year.

Output of smoking tobacco in 1959 seems likely to be around 74 million pounds--3 percent lower than in 1958 but 5 percent above the low point reached in 1957. Output of chewing tobacco in 1959 is estimated at about 67-3/4 million pounds--down about 2 percent from 1958 and a new low. In the 1949-58 period, chewing tobacco output declined at an average rate of 2.6 percent. Production of snuff in 1959 is estimated at near 34-1/3 million pounds--approximately 1 percent lower than in 1958. After many years of considerable stability, snuff output dropped about 4 percent annually in the 3 years ending with 1958.

Exports of unmanufactured tobacco in calendar year 1959 are expected to be around 465 million pounds (export weight)--equivalent to about 520 million pounds (farm-sales weight). This is about 4 percent below both 1958 and the 1948-57 average. General economic factors such as rising economic activity and improved gold and dollar reserves abroad continue to favor U. S. tobacco exports. Offsetting factors are increased competition from the expanded production abroad, and trade barriers in many importing countries. Of considerable concern to foreign buyers are the significant increases in the prices paid in U. S. auction markets in recent years, and the advances in Government support prices which have been mandatory under the formula provided by existing law.

The 1959-60 total supply of flue-cured--the leading cigarette and export tobacco--is about 1 percent below 1958-59 and 9 percent below the peak level of 1956-57. This year's crop is estimated at about 5 percent larger than last year's crop, but the third smallest since 1949. Carryover at the start of the 1959-60 marketing year was 4 percent below a year earlier and by mid-1960, carryover may be down another 2 or 3 percent. The 1960 flue-cured marketing quota and acreage allotment will be announced by the Secretary of Agriculture by December 1. In the 1958-59 marketing year, both domestic use and exports of flue-cured were virtually the same as in 1957-58.

About 60 percent of the flue-cured crop had been marketed by the end of the third week in September. Prices through that date averaged 59.1 cents per pound compared with 57.2 cents in the comparable period last season. About 3 percent of market deliveries were placed under Government loan in contrast with 12 percent in the comparable period of the 1958 season.

The 1959-60 total supply of burley is estimated at about 1 percent less than in 1958-59 and 7 percent below the peak level of 1954-55. This year's crop is indicated to be 7 percent larger than the small 1958 crop but carryover from previous crops on October 1 seems likely to be about 4 percent below a year ago. The 1960 burley marketing quota and acreage allotment will be announced by February 1, 1960. Marketings of burley usually start by December 1. Indications are that domestic use of burley increased a little in 1958-59 and exports ran well ahead of a year earlier.

The 1959-60 total supply of Maryland tobacco is estimated at about 6 percent lower than for 1958-59 and the smallest since 1950-51. A marketing quota applicable to the 1960 crop of Maryland tobacco will be announced not later than February 1, 1960. Soon thereafter, growers will vote in a referendum on whether they wish quotas to be applied on their next 3 crops. A marketing quota is not in effect on this year's crop and it is not eligible for price support. Domestic use of Maryland in 1958-59 is estimated at fairly close to the level of the preceding year and exports increased moderately.

The 1959-60 total supply of fire-cured tobacco is estimated to be only slightly below that for 1958-59. This year's production is about a fourth larger than last year's record low but carryover is estimated to be down about 8 percent from a year ago. The 1959-60 total supply of dark air- and sun-cured tobacco is estimated to be about 5 percent lower than for 1958-59. The 1959 production of these types is indicated to be about 29 percent larger than last year's record low but carryover is estimated to be about an eighth lower than a year ago. The 1960 marketing quotas and acreage allotments for these kinds of tobacco will be announced by February 1, 1960. During 1958-59 domestic use of fire-cured declined and exports of fire-cured dropped fairly sharply; domestic use of dark air-cured held fairly close to that of the preceding year and exports of dark air-cured increased moderately.

The 1959-60 total supply of continental filler tobacco is estimated to be 5 percent above 1958-59 and the largest in 4 years. The 1959-60 total supply of Connecticut binder types is indicated to be slightly below that for

1958-59 but the supply of the Wisconsin binder types may be up a little. The 1960 marketing quotas for the Connecticut binder types and the Ohio filler-Wisconsin binder types will be announced by February 1, 1960. Soon afterward, growers of these kinds of tobacco will vote in referendums on whether they wish quotas to be applicable on their next three crops. The domestic use of cigar filler in 1958-59 increased some over a year earlier, but there was a sharp drop in domestic use of Connecticut binder types and a moderate decline in the domestic use of Wisconsin binder types. Exports of filler in 1958-59 were significant for the first time in several years. Exports of Connecticut binder types fell sharply and exports of Wisconsin binder were down a little.

The 1959-60 total supply of shade-grown cigar wrapper tobacco is nearly 4 percent above that for 1958-59 and a record high. In 1958-59 domestic use of the cigar wrapper types was slightly under that of a year earlier, but exports just topped the previous 1957-58 record.

Under existing law, the Government price supports for the kinds of tobacco under Federal marketing quotas in 1960 will be at 90 percent of parity except for the fire-cured, dark air-cured and sun-cured types. The support levels for the latter types are set at fixed percentages of the burley support (75 percent for fire-cured and 66-2/3 percent for dark air- and sun-cured) but they cannot go above 1957 levels unless 90 percent of the parities for these types should exceed those levels.

TOBACCO PRODUCTS

Cigarettes

Cigarette output will reach a new high this year and is likely to make additional gains in 1960. U. S. smokers consume about 96 percent of total cigarette output while the other 4 percent is exported. Cigarettes are exported to around 100 foreign countries but over three-fifths of total exports go to 10 countries. This year's exports probably will be the largest since 1949. Domestic cigarette consumption in 1960 is expected to continue to gain mainly because of an increase in population of smoking age and the probability of a larger proportion of smokers among women.

The total number of cigarettes to be turned out during calendar year 1959 is estimated at 485 billion--over 3 percent more than in 1958 and 26 percent more than 10 years ago.

The quantity of domestic tobacco--unstemmed equivalent basis--utilized in cigarettes has gained very little in the last few years despite the substantial increase in the number of cigarettes manufactured. On the average, manufacturers get more cigarettes per pound of unstemmed tobacco than a few years ago. Mainly this is due to use of sheet tobacco and additional stems, and the smaller tobacco column in many filter tips than in nonfilter tips. A third but not as important reason has been the increased proportion of imported cigarette tobacco in the average cigarette. It is estimated that

Table 1.--Cigarettes: Total output, domestic consumption, shipments and exports for specified periods

Period	Total output	Domestic consumption <u>1/</u>	Shipments to		Exports
			Overseas forces and other <u>2/</u>	Puerto Rico and other <u>3/</u>	
	Billions	Billions	Billions	Billions	Billions
Average:					
1935-39	164.2	157.0	0.9	0.8	5.5
1940-44	256.9	223.5	26.5	1.0	5.8
1945	332.2	267.2	56.9	1.2	6.9
1946	350.0	321.7	5.0	1.6	24.1
1947	369.7	335.4	10.4	1.1	22.8
1948	386.8	348.5	12.8	1.7	25.2
1949	385.0	351.8	12.0	1.7	19.5
1950	392.0	360.2	15.6	1.9	14.3
1951	418.8	379.7	20.1	2.0	16.8
1952	435.5	394.1	21.7	1.9	16.4
1953	423.1	386.8	18.8	2.0	16.2
1954	401.8	368.7	15.9	1.8	15.4
1955	412.3	382.1	13.2	2.0	15.1
1956	424.2	393.2	13.3	2.0	15.7
1957	442.3	409.4	13.7	2.1	17.0
1958 <u>4/</u>	470.1	436.3	13.4	2.2	18.1
1959 <u>5/</u>	485.0	450.0	13.5	2.4	19.1
Fiscal year					
Year ending					
June					
1955	407.8	375.2	15.5	1.9	15.1
1956	416.8	387.1	12.5	2.0	15.3
1957	433.9	401.7	14.0	2.0	16.1
1958	449.1	416.3	13.0	2.1	17.7
1959 <u>4/</u>	478.9	443.7	13.1	2.2	18.4

1/ Tax paid removals including Alaska and Hawaii.2/ Includes ship stores and other smaller tax free categories.3/ Includes Virgin Islands, Guam, American Samoa, Wake, and Canton and Enderbury Islands.4/ Subject to revision.5/ Estimated.

Basic data but not the estimates compiled from reports of the Internal Revenue Service and the Bureau of the Census.

this year U. S. cigarettes, finished weight basis, contain on the average about $10\frac{1}{2}$ percent imported tobacco compared with $8\frac{1}{2}$ percent 5 years ago.

Cigarette consumption per person 15 years and over in 1959 is estimated at a record 188 packs (20 cigarettes per pack)--nearly 2 percent more than in 1958 and 15 percent more than 10 years ago. The unstemmed tobacco equivalent of the cigarettes consumed per person 15 and over in 1959 is estimated at slightly lower than in 1958 and only about $1\frac{1}{2}$ percent greater than 10 years ago.

In 1958, purchasers spent a record $\$5\frac{1}{2}$ billion on cigarettes at retail. This year's expenditures for cigarettes may approach \$6 billion. Besides the larger unit volume, prices in many States have been advanced because of increases in State tax levies. (Of the 50 States, 46 and also the District of Columbia have cigarette taxes as do a substantial number of cities and smaller municipalities). Another reason for the bigger expenditure is the larger proportion of filter tips which cost more per pack than regular size nonfilter tips.

Several new brands of filter tip cigarettes--mostly menthol type--have been introduced this year and trade papers report that about 50 percent of all cigarettes now have filters. In 1958 the proportion was 45 percent and 5 years ago, it was about 9 percent.

It is estimated that the number of persons in the United States (including overseas forces) who smoke cigarettes regularly (every day) totals about 58 million--probably 35 million men and 23 million women. The estimated average rate of smoking is about 24 cigarettes per day for men and close to 19 cigarettes per day for women. Of the 460 billion cigarettes expected to be smoked this year by these smokers, approximately two-thirds will be accounted for by men and one-third by women. Another 5 or 6 billion cigarettes will be shipped to Puerto Rico, Hawaii, Alaska, Virgin Islands and other offshore destinations. The 1959 commercial exports to foreign countries is expected to be near 19 billion.

Longer Term Prospects

The total number of cigarettes produced in U. S. factories may approximate 570 billion by 1965 and 740 billion by 1975. This would represent an 18 percent rise by 1965 and nearly a 53 percent jump by 1975. The predominant share by far will be consumed by U. S. smokers including those overseas. The designation, U. S. smokers, as used here does not include the cigarette smokers in Puerto Rico, Hawaii, Alaska, etc., because Census series utilized in making these projections did not include their populations and smoking survey data available did not cover these areas. These projections are based on an analysis of the size of the future U. S. population by age groups, benchmark survey data on the pattern of smoking and the recent trends in consumption and exports. The projections reflect trends in the 1955-59 period, a time when the relation of smoking to health received widespread publicity. The projected levels of consumption could be affected, of course, by the future findings of studies.

Table 2.--Cigarette exports from the United States to leading destinations for specified periods

Country	Calendar year		Year ending June 30		January-July		
	Average 1934-38	Average 1953-57	1958 1/	1959 1/	1958 1/	1959 1/	1959 as a percentage of 1958
Venezuela	39	1,795	2,686	2,241	1,591	1,398	88
Morocco	12	1,675	1,923	2,282	1,146	1,374	120
Hong Kong	22	675	1,278	1,230	586	778	133
France	307	875	1,217	1,366	684	676	99
Belgium	63	688	793	954	517	430	83
Netherlands							
Antilles	105	241	515	875	363	531	146
Singapore and							
Br. Malaya	3	613	478	690	504	657	130
Kuwait	0	309	494	651	281	415	148
Sweden	80	720	595	550	322	300	93
West Germany	32	478	392	463	234	236	101
Other							
countries 2/	4,111	7,833	7,312	7,130	3,885	4,219	109
Total, all	4,774	15,902	17,683	18,432	10,113	11,014	109
countries							

1/ Preliminary.

2/ Includes about 95 to 110 foreign destinations in recent years.

Compiled from publications and records of the Bureau of the Census.

The number of people smoking cigarettes regularly by 1965 may total around 66 million--probably 38 million men and 28 million women. The average number consumed per day by women may increase a little. Total consumption of cigarettes by U. S. smokers may be around 540 billion and commercial exports and other offshore shipments to Puerto Rico, etc., may be around 30 billion.

The number of people smoking cigarettes regularly by 1975 may total 84 million--46 million men and 38 million women. Rates of smoking might be a little above current rates. Total consumption of cigarettes by U. S. smokers may approximate 700 billion, and commercial exports plus offshore shipments to Puerto Rico and other U. S. areas might be around 40 billion.

For 1959 it is estimated that about 58 percent of the male population 15 years and older smoke cigarettes regularly. The projections imply that by 1965 this percentage would rise to 59 percent and by 1975, to 60 percent.

Table 3.--Tobacco products: Consumption per capita, 15 years and over, in the United States and by overseas forces, 1920-59

Year	Cigarettes	Large cigars and cigarillos	Cigarettes 1/	Large cigars and cigarillos 1/	Smoking, chewing and snuff 1/	Total tobacco products 1/ 2/
	Number	Number	Pounds	Pounds	Pounds	Pounds
1920	611	117.2	1.89	2.42	4.33	8.67
1921	681	94.0	2.07	1.96	4.14	8.21
1922	707	96.1	2.14	2.13	4.28	8.58
1923	836	96.4	2.51	2.18	4.26	8.98
1924	901	89.0	2.69	2.04	4.06	8.81
1925	996	86.7	2.96	1.98	4.03	8.98
1926	1,093	85.2	3.17	1.98	3.87	9.03
1927	1,174	82.9	3.42	1.92	3.61	8.96
1928	1,255	80.6	3.58	1.89	3.44	8.93
1929	1,381	79.9	3.91	1.85	3.44	9.21
1930	1,365	71.6	3.84	1.66	3.34	8.85
1931	1,287	64.3	3.63	1.52	3.29	8.45
1932	1,147	52.4	3.21	1.23	3.19	7.64
1933	1,230	50.8	3.49	1.22	3.07	7.79
1934	1,368	53.0	3.94	1.28	3.11	8.34
1935	1,442	53.8	4.11	1.29	2.80	8.21
1936	1,618	57.3	4.61	1.39	2.81	8.82
1937	1,704	57.8	4.81	1.39	2.74	8.95
1938	1,687	55.5	4.76	1.30	2.68	8.75
1939	1,754	55.9	4.95	1.31	2.56	8.83
1940	1,824	56.3	5.16	1.35	2.60	9.12
1941	2,065	58.8	5.95	1.41	2.41	9.78
1942	2,393	58.6	7.01	1.40	2.27	10.69
1943	2,745	52.4	7.99	1.28	2.19	11.46
1944	2,831	49.2	8.04	1.21	1.96	11.22
1945	3,222	52.2	9.15	1.26	2.05	12.46
1946	3,230	56.1	9.24	1.36	1.59	12.20
1947	3,202	52.3	9.16	1.29	1.50	11.95
1948	3,292	53.0	9.35	1.30	1.46	12.12
1949	3,274	50.8	9.33	1.16	1.44	11.93
1950	3,320	50.1	9.36	1.18	1.42	11.96
1951	3,527	51.4	9.98	1.19	1.31	12.48
1952	3,661	53.3	10.41	1.26	1.25	12.92
1953	3,558	53.6	10.46	1.26	1.18	12.90
1954	3,339	52.2	9.73	1.22	1.16	12.11
1955	3,387	52.2	9.57	1.20	1.15	11.92
1956	3,436	51.2	9.30	1.11	1.06	11.47
1957	3,531	52.0	9.31	1.09	1.01	11.41
1958	3,699	53.7	9.51	1.02	1.00	11.53
1959 3/	3,760	56.7	9.46	1.06	.97	11.51

1/ Unstemmed processing-weight equivalent.

2/ Includes small cigars not shown separately.

3/ Preliminary estimate.

Note: Data are not available to adjust for quantities lost, destroyed, bartered, etc., under war and postwar conditions but such adjustments would be relatively small.

Table 4.--Disposable personal income, consumer expenditures for tobacco products, and percentages, 1939-58

Year	Dispos- able personal income	Consumer expenditures for tobacco products				Tobacco product expenditures as percentage of disposable personal income			
		Total	Ciga- rettes	Cigars	Other 1/	Total	Ciga- rettes	Cigars	Other 1/
	Mil. dol.	Mil. dol.	Mil. dol.	Mil. dol.	Mil. dol.	Pct.	Pct.	Pct.	Pct.
1939	: 70,444	1,767	1,207	261	299	2.51	1.71	0.37	0.43
1940	: 76,076	1,883	1,316	265	302	2.48	1.73	.35	.40
1941	: 92,982	2,108	1,518	284	306	2.27	1.63	.31	.33
1942	: 117,516	2,381	1,773	305	303	2.03	1.51	.26	.26
1943	: 133,547	2,677	2,024	358	295	2.00	1.51	.27	.22
1944	: 146,761	2,717	2,025	402	290	1.85	1.38	.27	.20
1945	: 150,355	2,972	2,208	443	321	1.98	1.47	.30	.21
1946	: 160,569	3,478	2,656	542	280	2.17	1.65	.34	.18
1947	: 170,113	3,869	3,044	547	278	2.27	1.79	.32	.16
1948	: 189,300	4,155	3,319	548	288	2.19	1.75	.29	.15
1949	: 189,654	4,272	3,463	520	289	2.25	1.83	.27	.15
1950	: 207,655	4,432	3,626	514	292	2.13	1.74	.25	.14
1951	: 227,481	4,743	3,934	526	283	2.09	1.73	.23	.13
1952	: 238,714	5,153	4,326	545	282	2.16	1.81	.23	.12
1953	: 252,474	5,365	4,537	560	268	2.12	1.79	.22	.11
1954	: 256,885	5,218	4,406	552	260	2.03	1.72	.21	.10
1955	: 274,448	5,350	4,544	549	257	1.95	1.66	.20	.09
1956	: 292,942	5,638	4,843	553	242	1.92	1.65	.19	.08
1957	: 307,855	6,064	5,267	557	240	1.97	1.71	.18	.08
1958	: 316,478	6,376	5,544	578	254	2.01	1.75	.18	.08

1/ Smoking, chewing, and snuff.

Basic data, United States Department of Commerce.

The percentage of the 1959 female population 15 years and older who smoke cigarettes regularly is estimated at 36 percent. The projections imply that this percentage would rise to 40 percent by 1965 and 46 percent by 1975. If the projections are borne out, males would account for about 63 percent of total cigarette consumption in 1965 and females, 37 percent; by 1975 males would account for about 60 percent, and females, 40 percent.

Cigars

The 1959 output of cigars and cigarillos for U. S. consumption is expected to total about 6.9 billion--7 percent above 1958 and 24 percent above 10 years ago. Unit output will be the highest since 1923. Cigarillos--much smaller than full size cigars--may account for close to 15 percent of the 1959 total. Cigarillo-size cigars were of little significance during the years of high level cigar output in the 1920's but have become increasingly important in recent years.

Total cigar and cigarillo removals (taxpaid and taxfree) from domestic factories in 1959 are estimated at approximately 6,550 million and cigar shipments from Puerto Rican factories at about 150 million. The 1959 cigar removals from bonded manufacturing warehouses, which utilize imported tobacco exclusively, are estimated at 245 million and cigar imports are estimated at about 35 million.

Commercial exports of U. S. made cigars are a comparatively minor part of total production. In each of the past 3 years, exports totaled a little over 9 million. This is sure to be exceeded this year. Cigar exports thus far are well ahead of a year ago and for the full year may approximate 13 million.

Data for the first 7 months of 1959 indicate that 43.3 percent of the taxpaid cigar removals from domestic factories retailed at 6 cents or less compared with 40.9 percent in the same period of 1958. Cigarillos would be included in this lower-priced group. Cigars retailing at over 6 cents but not more than 15 cents apiece comprised 53.1 percent compared with 55.6 percent a year earlier. Domestic factory cigars selling at more than 15 cents apiece accounted for close to 3-1/2 percent in both periods.

Nearly all the cigars shipped from Puerto Rico fall in the 8 to 15 cent retail price bracket. Approximately 65 percent of the cigars from bonded manufacturing warehouses retail at higher than 15 cents apiece. About nine-tenths of the cigars imported from Cuba, the principal source of cigar imports, retail at more than 20 cents apiece; about two-thirds of other imported cigars, which come principally from the Philippine Republic, retail at 8 cents or less.

The Bureau of Labor Statistics index of wholesale prices for cigars has remained virtually unchanged the past year or two and is only about 6 percent above 10 years ago.

Cigar and cigarillo consumption per male 15 years and over in 1959 is estimated at 116--about 5-1/2 percent more than in 1958, 13 percent more than

Table 5.--Large cigars and cigarillos: Output and consumption for specified periods

Period	Domestic factories			Bonded : Ship- manufac- : turing : ware- house		Imports for consumption		Exports		Total consump- tion 2/
	Total output	Taxpaid removals	Taxfree removals	Taxpaid removals	to the United States	Total 1/	From Cuba			
	Mil.	Mil.	Mil.	Mil.	Mil.	Mil.	Mil.	Mil.	Mil.	
Average:										
1935-39:	5,075	5,060	13	66	29	192	3	8		5,352
1940-44:	5,450	5,282	199	105	11	94	15	9		5,682
1945	5,275	4,774	469	82	97	60	60	2		5,480
1946	5,618	5,621	26	125	69	22	20	3		5,860
1947	5,488	5,460	41	124	8	12	9	19		5,626
1948	5,645	5,588	38	140	4	12	10	13		5,769
1949	5,453	5,399	46	142	4	11	10	3		5,599
1950	5,399	5,365	47	160	3/	12	11	2		5,582
1951	5,594	5,518	85	177	3/	14	13	3		5,791
1952	5,825	5,755	102	196	1	15	12	3		6,066
1953	5,915	5,820	90	205	9	17	13	6		6,135
1954	5,820	5,690	89	206	47	16	12	8		6,040
1955	5,776	5,688	82	227	83	20	15	6		6,094
1956	5,767	5,633	72	230	94	23	18	9		6,043
1957	5,903	5,757	79	238	122	26	20	9		6,213
1958 4/	6,210	6,020	87	240	139	28	22	9		6,505
1959 5/	6,560	6,450	100	245	150	35	28	13		6,967
Fiscal year										
Year end- ing June										
1955	5,787	5,704	82	222	64	18	14	6		6,084
1956	5,806	5,672	74	231	95	21	15	8		6,085
1957	5,780	5,652	74	234	100	24	18	8		6,076
1958	5,952	5,838	80	238	131	26	21	10		6,303
1959 4/	6,494	6,407	101	245	141	34	27	11		6,917

1/ Predominant share of imports prior to 1942 came from Philippine Islands.

2/ Total removals from domestic factories plus cigars from bonded manufacturing warehouses, from Puerto Rico and imports minus exports.

3/ Less than a half million.

4/ Subject to revision.

5/ Estimated.

Basic data but not estimates compiled from reports of the Internal Revenue Service and the Bureau of the Census.

1949 and the most since 1942. The matching unstemmed tobacco equivalent consumed per male 15 years and over in 1959 rose about 3-3/4 percent from 1958 when it was the lowest on record.

The unstemmed tobacco equivalent of cigars consumed has not risen commensurately with the number consumed for two principal reasons: (1) cigarillos which are considerably smaller have accounted for an increasing share of the total in recent years, and (2) the steady expansion in recent years in the utilization of sheet binder in place of natural binder has brought about a sizable reduction in the unstemmed equivalent of binder leaf required for cigars.

Small cigars--cigarette-size weighing less than 3 pounds per 1,000--rose sharply in late 1958 and early 1959 after drifting downward for many years. Several new brands which utilize sheet tobacco as a wrapper were placed on the market. Output of small cigars rose from 15 million in third quarter 1958 to 130 million in fourth quarter 1958. In first quarter 1959, output of small cigars climbed to 271 million but in second quarter 1959, dropped to 183 million. If the June-July rate of output is maintained for the rest of the year, the 1959 output of small cigars would approach 600 million--about 10 times the 1953-57 average. Small cigar volume has not been near 600 million since the early 1920's. Prior to World War I, annual output of small cigars ranged as high as 1.2 billion.

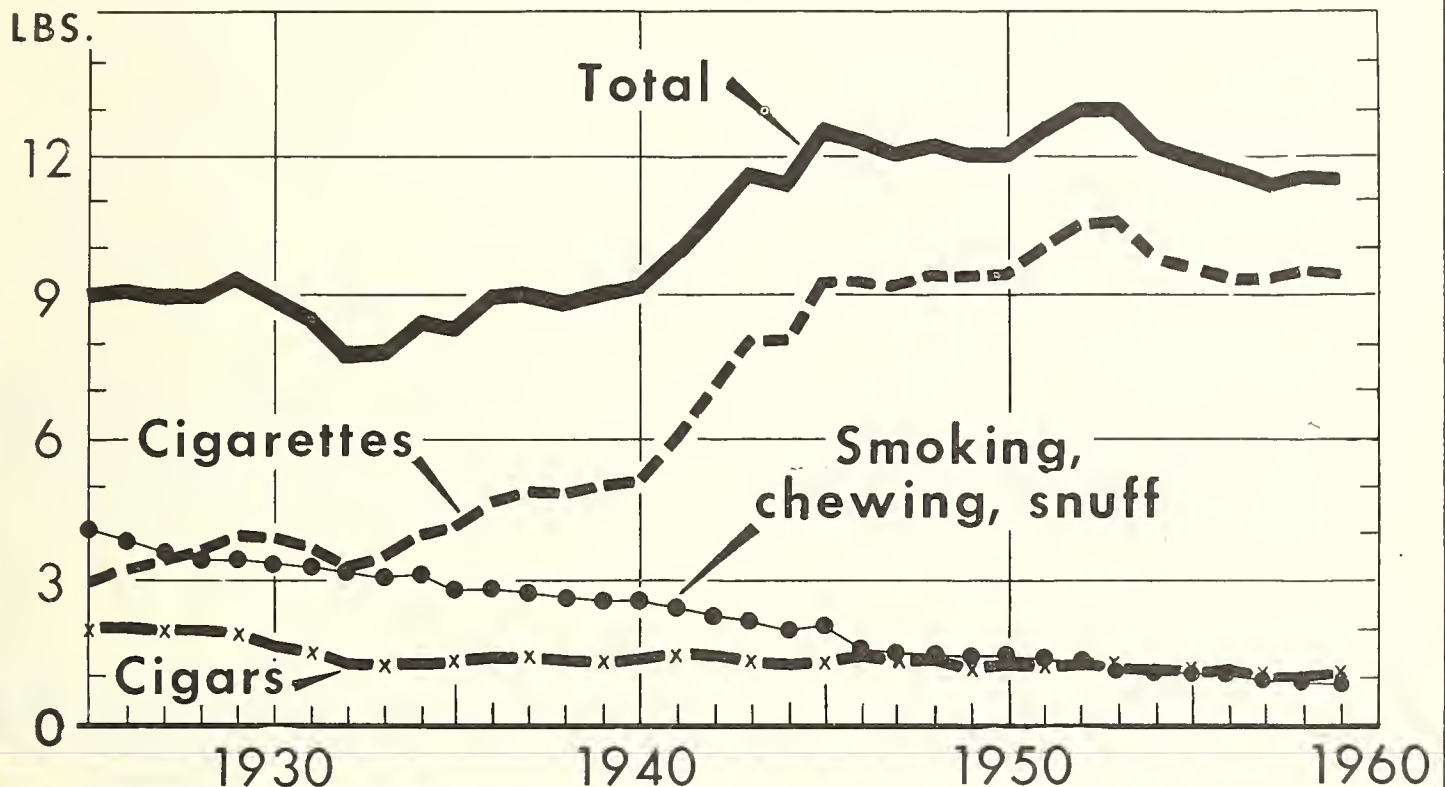
It is estimated that the number of men in the United States (including overseas forces) who smoke cigars and cigarillos totals almost 12 million--about 1 out of 5 above 18 years of age. Of the 12 million cigar smokers, about 3.3 million smoke cigars regularly (every day) and the other 8.7 million smoke cigars occasionally (not every day). Men smoking cigars regularly average more than 3-1/2 cigars per day and account for about 64 percent of total consumption. Many of the large groups who smoke cigars occasionally smoke them fairly frequently and thus account for a significant share of the market--approximately 36 percent. Occasional cigar smokers as a group probably average 4 or 5 cigars a week. The 1959 consumption of cigars and cigarillos produced in U. S. factories (including bonded and Puerto Rican) is estimated at about 6.9 billion; in addition around 35 million imported cigars will be consumed.

Longer Term Prospects

The total number of cigars and cigarillos produced in U. S. factories (including bonded and Puerto Rican) may approximate 7.6 billion by 1965 and 9.2 billion by 1975. Compared with the 1959 estimate, this would represent about a 10 percent rise by 1965 and a 33 percent rise by 1975. The 1959 estimate is a 36-year high and reflects a substantially higher rate of annual increase than could be expected over the longer term. These projections are based on an analysis of the size of the future male population by age groups, benchmark survey data on smoking and other pertinent material. The total number of cigar smokers, including those smoking regularly and occasionally, may approximate 13 million by 1965 and around 15 million by 1975. It is

TOBACCO CONSUMPTION

Per Capita, 15 Years Old and Over



UNSTEMMED PROCESSING-WEIGHT EQUIVALENT CONSUMED IN UNITED STATES AND BY OVERSEAS FORCES

U. S. DEPARTMENT OF AGRICULTURE

NEG. 1122A-59(9) AGRICULTURAL MARKETING SERVICE

The 1959 consumption of leaf tobacco per person 15 years and over (including overseas forces) is estimated to be almost the same as in 1958. The unstemmed leaf equivalent of the cigarettes consumed per person in 1959 is estimated at close to 9½ pounds--practically the same as in 1958 despite the rise to a new high in the number consumed per

person. The unstemmed leaf equivalent of cigars and cigarillos consumed per person estimated at 1.1 pounds is up a little from the 1958 low, and the number per person is the highest since 1942. The 1959 consumption of tobacco per person represented by smoking, chewing and snuff combined at slightly under 1 pound is the smallest this century.

assumed that a sizable number of the large group of occasional smokers who smoke fairly frequently will tend to move into the group that smoke cigars regularly (every day). Based on this assumption and the growth in the population, those smoking cigars regularly would increase 15 percent by 1965 and nearly 50 percent by 1975 compared with the estimated 1959 level. Due to the shifting from occasional to regular smoking, the net increases in the occasional cigar smoker group may be much more modest--6 percent by 1965 and 15 percent by 1975. This shift would tend to raise the overall average daily rate of consumption of cigar smokers by 3 or 4 percent by 1965 and by about 9 percent by 1975. By 1965 approximately 3.8 million smoking cigars regularly might account for 67 percent and 9 million smoking cigars occasionally would account for 33 percent of the total. By 1975 approximately 5 million persons smoking cigars regularly might account for 70 percent and the 10 million smoking cigars occasionally would account for 30 percent of the total. If future consumer preferences result in an even stronger trend than in recent years toward cigarillos, the above projections on number of smokers, rates of smoking and total consumption of cigars and cigarillos would be conservative. The small or cigarette-size cigars are not taken into account in the projections since no data are available on the pattern of smoking for this product.

Smoking Tobacco

Output of smoking tobacco in 1959 seems likely to be around 74 million pounds--2 million less than in 1958 but 3-1/2 million above the low point reached in 1957. Smoking tobacco is a secondary outlet for the cigarette types, particularly burley. It is used principally for pipes, and second, for "roll-your-own" cigarettes.

From a relatively stable level of 105-108 million pounds in the 1946-50 period, smoking tobacco production dropped steadily to 70-1/2 million pounds in 1957. Increased consumption in 1958--a recession year--boosted production 8 percent. Taxpaid removals in the first 7 months of 1959, however, were about 3 percent below those a year earlier, and probably reflect the gains in personal income and employment since the recession low last year.

Appreciable increases in smoking tobacco consumption are not likely in view of the generally favorable outlook for consumer income. Per capita consumption of smoking tobacco per male 15 years and over is estimated at 1.23 pounds in 1959--3 percent less than in 1958. Ten years ago, per capita consumption was close to 2 pounds and 20 years ago, it was a little over 4 pounds. (See table 7.)

According to the Bureau of Labor Statistics index, wholesale prices of smoking tobacco were advanced several times in 1959, after remaining stationary for almost a year and a half. The index rose 6 percent in February, 3 percent in April, and 1 percent in July. The price index for July (latest month for which data are available) was about a tenth higher than a year ago.

Table 6.--Output of manufactured tobacco in the United States
for specified periods

Period	Smoking	Chewing					Snuff
		Plug	Twist	Fine-cut	Scrap	Total	
	Million pounds	Million pounds	Million pounds	Million pounds	Million pounds	Million pounds	Million pounds
Average							
1935-39	195.3	56.8	6.0	4.8	43.8	111.4	37.3
1940-44	176.2	54.8	6.0	4.6	47.9	113.3	40.7
1945	168.5	59.7	6.7	4.0	47.7	118.1	43.8
1946	106.4	51.8	5.8	3.8	46.1	107.5	39.4
1947	104.7	47.3	5.2	3.8	42.2	98.5	39.2
1948	107.6	45.3	5.6	3.2	42.1	96.2	40.8
1949	108.1	41.9	5.6	2.8	39.6	89.9	40.9
1950	107.7	40.3	5.5	2.7	39.0	87.5	40.0
1951	101.3	39.9	4.6	2.8	39.1	86.4	39.5
1952	96.8	39.1	4.8	2.8	38.2	84.9	38.8
1953	86.6	38.1	4.7	2.9	38.1	83.8	39.1
1954	83.7	36.9	4.9	2.9	36.6	81.3	38.5
1955	80.0	36.5	4.5	3.0	36.0	80.0	39.2
1956	71.5	33.0	4.3	2.9	35.5	75.7	37.7
1957	70.5	31.6	4.0	2.8	34.0	72.4	36.1
1958 <u>1/</u>	76.0	29.6	3.8	2.9	33.0	69.3	34.8
1959 <u>2/</u>	74.0	29.1	3.5	3.0	32.2	67.8	34.3
Fiscal year							
Year ending June							
1955	85.0	36.5	4.8	3.0	36.5	80.8	39.0
1956	74.0	34.0	4.3	2.9	36.1	77.3	38.4
1957	68.9	32.3	4.1	2.8	34.3	73.5	36.5
1958	75.0	30.2	3.9	2.8	33.3	70.2	34.8
1959 <u>1/</u>	74.8	29.6	3.6	3.0	32.5	68.7	34.6

1/ Subject to revision.2/ Estimated.

Basic data but not the estimates compiled from reports of the Internal Revenue Service.

Table 7.--Consumption of cigars, smoking and chewing tobacco per male, 15 years and over, in the United States and by overseas forces, 1925-59

Year	Large cigars and cigarillos	Large cigars and cigarillos <u>1/</u>	Smoking tobacco <u>2/</u>	Chewing tobacco <u>2/</u>
	<u>Number</u>	<u>Pounds</u>	<u>Pounds</u>	<u>Pounds</u>
1925	170.4	3.88	4.12	5.05
1926	167.6	3.89	3.99	4.94
1927	163.2	3.77	3.77	4.61
1928	158.9	3.73	3.59	4.40
1929	157.7	3.64	3.56	4.20
1930	141.6	3.28	3.69	3.75
1931	127.2	3.00	4.03	3.26
1932	103.7	2.44	4.21	2.63
1933	100.7	2.42	4.17	2.47
1934	105.3	2.53	4.12	2.45
1935	107.1	2.57	4.07	2.43
1936	114.1	2.77	4.07	2.41
1937	115.1	2.78	3.89	2.38
1938	110.8	2.60	4.09	2.18
1939	111.8	2.62	4.09	2.07
1940	112.5	2.70	4.08	2.01
1941	117.7	2.83	3.86	2.06
1942	117.5	2.81	3.35	2.21
1943	105.1	2.56	2.99	2.23
1944	98.5	2.43	2.72	2.37
1945	104.9	2.53	3.19	2.20
1946	112.9	2.75	1.99	2.07
1947	105.4	2.60	1.93	1.81
1948	107.0	2.63	1.97	1.74
1949	102.8	2.35	1.95	1.61
1950	101.5	2.38	1.91	1.57
1951	104.1	2.40	1.78	1.53
1952	108.3	2.55	1.69	1.50
1953	108.9	2.56	1.52	1.47
1954	106.3	2.49	1.45	1.41
1955	106.2	2.45	1.37	1.36
1956	104.4	2.26	1.22	1.29
1957	106.2	2.22	1.19	1.22
1958	109.8	2.09	1.27	1.16
1959 <u>3/</u>	116.1	2.17	1.23	1.12

1/ Unstemmed-processing weight equivalent.2/ Finished product weight.3/ Preliminary estimate.

Table 8.--Index numbers of tobacco consumption per capita, 15 years and over, by products, 1925-59 ^{1/}

(1947-49=100)

Year	Cigarettes based on--		Large cigars and cigarillos based on--		Smoking	Chewing	Snuff	Total
	Number	Pounds	Number	Pounds	<u>3/</u>	<u>3/</u>	<u>3/</u>	<u>2/</u> <u>4/</u>
		<u>2/</u>		<u>2/</u>				
1925	31	32	167	158	217	302	127	75
1926	34	34	164	158	210	295	126	75
1927	36	37	159	153	198	275	131	75
1928	39	39	155	151	189	262	130	74
1929	42	42	154	148	187	250	126	77
1930	42	41	138	133	193	223	124	74
1931	40	39	124	121	212	194	121	70
1932	35	35	101	98	220	156	110	64
1933	38	38	98	98	218	146	108	65
1934	42	42	102	102	215	145	109	69
1935	44	44	103	104	212	143	105	68
1936	50	50	110	111	211	142	109	73
1937	52	52	111	112	202	140	105	75
1938	52	51	107	104	212	128	104	73
1939	54	53	108	105	212	121	105	74
1940	56	56	108	108	211	118	103	76
1941	63	64	113	113	199	121	106	81
1942	74	76	113	112	173	129	109	89
1943	84	86	101	102	155	131	113	95
1944	87	87	94	97	141	139	109	93
1945	99	99	100	101	165	128	112	104
1946	99	100	108	109	102	121	101	102
1947	98	99	100	103	99	105	99	100
1948	101	101	102	104	101	101	101	101
1949	101	101	98	93	100	94	100	99
1950	102	101	96	94	98	91	97	100
1951	108	108	99	95	91	89	94	104
1952	112	112	103	101	86	87	92	108
1953	109	113	103	101	78	85	92	108
1954	103	105	100	98	74	81	90	101
1955	104	103	100	96	71	80	90	99
1956	106	100	98	88	63	76	86	96
1957	108	100	100	87	60	70	82	95
1958	114	104	103	82	64	66	78	96
1959 5/	115	102	110	85	62	64	76	96

^{1/} Includes overseas forces beginning 1940.^{2/} Unstemmed processing weight equivalent.^{3/} Based on finished product weight.^{4/} Includes small cigars not shown separately.^{5/} Preliminary estimate.

Exports of packaged smoking tobacco are relatively small in relation to total output--ranging from approximately 550,000 to 675,000 pounds in recent years. In the first 7 months of 1959, exports of packaged smoking tobacco were 4 percent smaller than in the same period a year ago. Canada, the leading outlet, took less than two-thirds as much as in January-July 1958.

Much of the manufactured tobacco reported in the export classification as bulk smoking tobacco is not included in the output figures reported by the Internal Revenue Service. This export category includes specially prepared cigarette tobacco, cut and granulated tobacco, partially processed blended tobacco and shredded tobacco. Annual exports of bulk smoking usually ranged between 1 and 2 million pounds just before and just after World War II, but more recently ranged from about $4\frac{1}{2}$ million to last year's record 6.9 million pounds. In the first 7 months of 1959, exports of bulk smoking tobacco declined 5 percent below 1958, but were the second largest on record for that period. Spain, accounting for over a third of the total, took 3 percent less. Exports to Australia were down moderately, and to Panama and Switzerland, were down sharply. On the other hand, there were larger consignments than a year earlier to Mexico, Haiti, Bolivia and Ecuador. Exports to Dominican Republic held even, and significant quantities went to the Philippine Republic and Viet Nam, in contrast to none in 1958.

Chewing Tobacco

Production of chewing tobacco in 1959 is estimated at around $67\frac{3}{4}$ million pounds--down about 2 percent from 1958 and a new low. Chewing tobacco has been trending downward for many years, and a further gradual decline is likely in the years ahead.

The two main categories of chewing tobacco are scrap and plug, which in 1958 made up 48 percent and 43 percent, respectively, of all chewing. Twist and fine-cut made up the other 9 percent. Of the two major categories, scrap chewing utilizes mainly certain grades of the binder types, while plug chewing mainly utilizes burley and dark air-cured tobacco. The decline in plug chewing output has been greater than that in scrap chewing. In the 1949-58 period, total chewing production declined by an average rate of 2.6 percent a year. The average rate of decline in the 10-year period was 3.4 percent for plug and 1.8 percent for scrap. Fine-cut has tended to be fairly stable during this period, but output of twist trended downward by an average of 3.8 percent a year.

Per capita consumption of chewing tobacco per male 15 years and over in 1959 is estimated at 1.12 pounds--about $3\frac{1}{2}$ percent less than in the preceding year. The 1959 estimated figure is 30 percent below per capita consumption 10 years ago and approximately 45 percent below per capita consumption 20 years ago. (See table 7.)

According to the Bureau of Labor Statistics wholesale price index, manufacturers' prices of plug chewing tobacco in July 1959 were about a sixth higher than a year ago. The index rose 11 percent in February of this year, and another 5 percent in March.

All except a small proportion of chewing tobacco production is consumed in this country. Exports in recent years--mainly twist and plug--have ranged between $1\frac{1}{2}$ to over 2 million pounds. In January-July 1959, chewing tobacco exports were over a fourth below those a year earlier, and were smallest for that period in 15 years. The decline was mainly attributable to a drop in exports to the principal destination, Australia, which took only about two-thirds as much as in January-July 1958. There was a moderate decline in exports to the Philippine Republic, but a substantial percentage gain in those to Panama.

Snuff

Production of snuff in 1959 is estimated at near $34\frac{1}{3}$ million pounds--about a half-million below 1958 and probably the smallest since 1920. Ordinarily highly stable, annual snuff output dropped successively by 4 percent in 1956, 1957 and 1958. The rate of decline in 1959 has been more gradual. Snuff output next year may be near the 1959 level.

Nearly all the snuff produced is consumed in this country--mainly in the southern and northwestern United States and in occupations where smoking is hazardous or inconvenient. Snuff consumption for many years tended to remain stable in the aggregate, although declining on a per capita basis as population increased. Per capita consumption of persons 15 years and over in 1959 is estimated at 3 percent less than in 1958 and nearly a fourth less than 10 years ago. (See table 8.)

According to the Bureau of Labor Statistics index, wholesale prices of snuff through July 1959 were unchanged from mid-1957 levels.

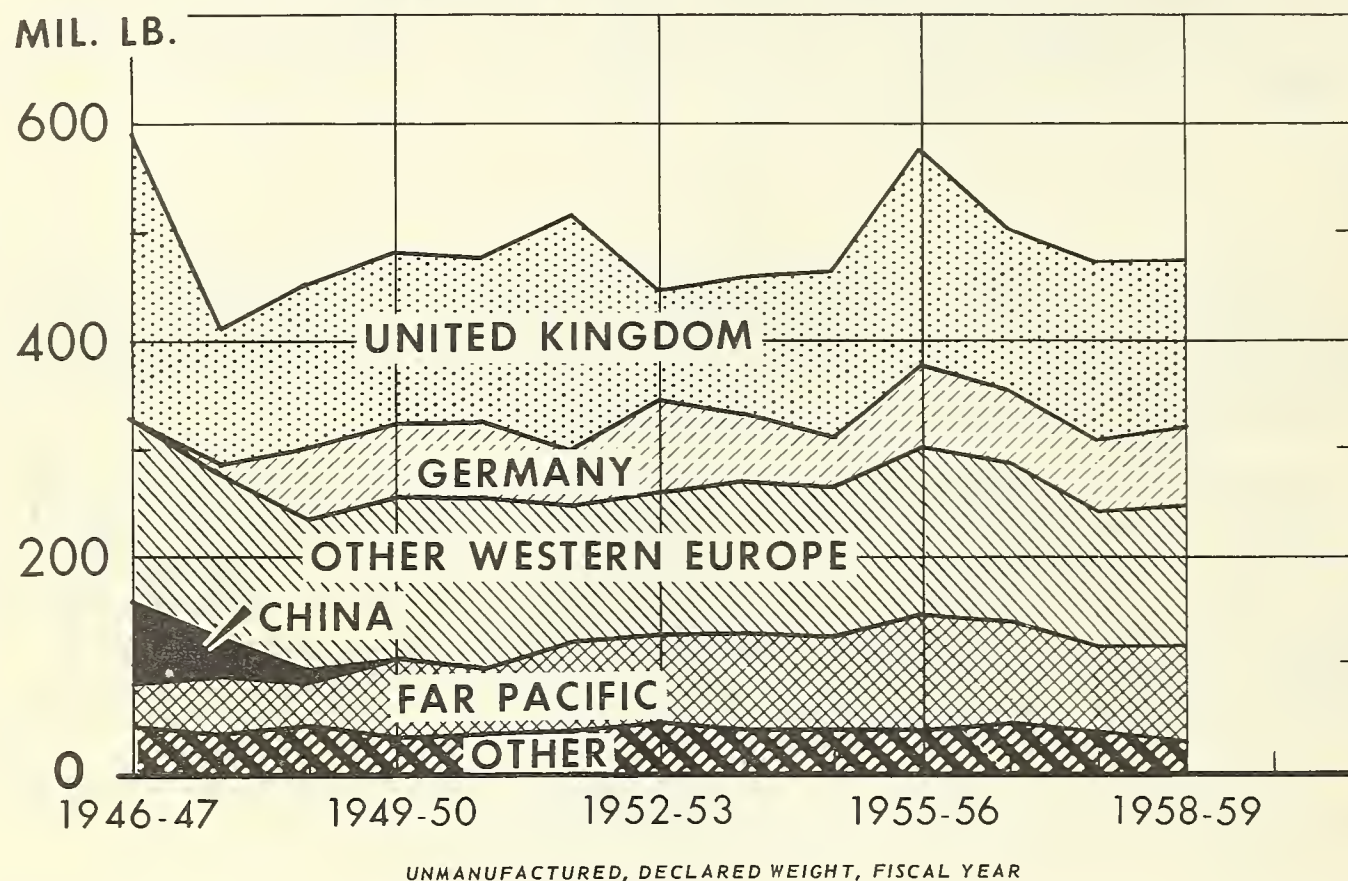
EXPORTS OF UNMANUFACTURED TOBACCO FROM THE UNITED STATES 1/

Exports of unmanufactured tobacco in calendar 1959 are expected to be around 465 million pounds--about 4 percent below 1958. Tobacco exports in 1948-57 averaged 484 million pounds. In the first 8 months of 1959, total exports of tobacco were about 7 percent smaller than in the comparable period last year. Most of the drop was in shipments of flue-cured--the principal export class.

General economic factors continue to favor U. S. tobacco exports, but offsetting factors have kept our exports from sharing in the expansion in world tobacco trade. Favoring our tobacco exports are the rising economic activity abroad and the improved gold and dollar position of most West European countries. With the exception of Spain, reserves of all West European

1/ Quantities of tobacco in this section are stated in terms of export weight, which is less than the equivalent farm-sales weight.

EXPORT MARKETS FOR U. S. TOBACCO



U. S. DEPARTMENT OF AGRICULTURE

NEG. 3484-59 (8) AGRICULTURAL MARKETING SERVICE

Exports of unmanufactured tobacco in 1958-59, at 473 million pounds (equivalent to 529 million, farm-sales weight), were virtually the same as in 1957-58 but 1 percent below the 1948-57 average. During 1958-59 compared with a year earlier, appreciably smaller exports of U. S. tobacco went to United Kingdom, Netherlands, Australia, Switzer-

land, Thailand, Sweden, Spain and Indonesia. These declines were offset by substantial increases in exports to Germany, Italy, Japan and Viet Nam, and lesser increases in exports to Belgium, Ireland, Denmark, Portugal, Finland, Philippine Republic and Taiwan.

Table 9.--United States exports of unmanufactured tobacco by types and to principal importing countries for specified periods

Country and type	(Declared weight)							
	Calendar year			Year ending June 30		January-July		
	Average	Average	Average	1958	1959	1958	1959	1959 as
	1924-28	1934-38	1952-56	1/	1/	1/	1/	percentage of 1958
	Million pounds	Million pounds	Million pounds	Million pounds	Million pounds	Million pounds	Million pounds	Percent
Flue-cured	2/324.0	324.9	403.0	390.2	391.6	149.2	128.9	86
Burley	8.9	11.6	28.5	21.6	28.1	16.0	16.9	106
Maryland	14.3	5.5	8.6	12.0	12.3	5.4	7.2	133
Va. fire-cured and sun-cured	22.6	9.7	4.4	5.4	4.4	3.1	2.5	81
Ky. and Tenn. fire-cured	2/126.6	53.7	21.6	21.9	16.3	12.7	8.8	69
Green River	15.8	3.0	1.9	1.7	1.0	1.0	.7	70
One Sucker	3/	.7	1.5	1.7	2.2	.4	1.7	425
Black Fat, etc.	2/2.0	9.0	4.3	5.0	4.6	2.8	2.5	89
Cigar wrapper	).8	1.3	3.7	4.7	4.7	3.1	2.6	84
Cigar binder			2.5	4.3	2.7	1.3	2.0	154
Cigar filler	)		.5	.2	1.0	.1	.9	900
Perique	2/.1	.1	.1	.1	.1	.1	.1	100
Stems, trimmings, and scrap	12.0	17.8	3.3	4.0	4.3	1.3	1.4	108
Total	527.1	437.3	483.9	472.8	473.3	196.5	176.2	90
Country of Destination:								
United Kingdom	164.8	213.9	144.9	164.9	151.2	38.0	21.5	57
France	34.6	21.0	7.7	7.8	6.5	5.0	4.1	82
Belgium	21.1	15.5	17.4	14.9	16.2	7.7	9.0	117
Netherlands	31.5	15.6	35.3	31.3	21.5	13.0	11.7	90
Germany, W. & E.	34.0	12.8	64.8	65.6	75.9	46.5	36.6	79
Portugal	4.4	4.8	6.8	5.9	6.9	5.9	4.5	76
Denmark	5.2	4.6	11.1	12.9	14.1	4.6	6.8	148
Ireland	3.8	7.4	13.9	8.9	12.5	2.6	1.7	65
Switzerland	2.8	3.8	11.8	12.3	10.0	5.2	4.8	92
Norway	4.1	4.7	7.8	6.8	7.0	4.2	3.9	93
Sweden	4.7	7.2	11.7	14.9	8.5	4.5	1.4	31
Italy	7.8	1.1	4.7	1.2	12.8	4.3	10.8	251
Hong Kong	.9	1.6	3.8	3.0	2.9	1.8	2.2	122
Australia	21.5	18.4	26.7	32.1	29.0	2.8	5.5	196
India	)5.4	2.6	4.4	5.4	2.7	2.2	2.0	91
Pakistan				.1	.3	.1	.4	400
New Zealand	.6	2.5	6.5	6.8	7.5	4.3	4.4	102
Philippine Rep.	.5	1.2	18.8	.9	4.6	1.2	.4	33
Indonesia	5.8	2.0	12.9	6.7	1.6	.9	1.3	144
Japan	1.1	7.3	9.4	4.7	13.0	2.4	4.2	175
Other countries	4/172.5	4/89.3	63.5	65.7	68.6	39.3	39.0	99
Total	527.1	437.3	483.9	472.8	473.3	196.5	176.2	90

1/ Preliminary.

2/ Partially estimated.

3/ Less than 50,000 pounds.

4/ China averaged 93 million pounds in 1924-28 and 48 million in 1934-38.

countries at the end of March 1959 were larger than a year earlier. There were substantial increases in reserves of Netherlands, Belgium, Austria, France and Italy, and small to moderate increases in those of Germany, Switzerland, Sweden, Portugal, Norway and Denmark. At the end of August, the United Kingdom's centrally held gold and dollar reserves at \$3.2 billion were 5 percent above those a year earlier and over 50 percent above the low level of 2 years earlier. In the first 7 months of 1959, general imports into the U. S.--main source of dollars to foreign countries--were at a record rate, the dollar value increasing 18 percent above that a year earlier and 14 percent above that 2 years earlier. Consumption abroad of cigarette tobaccos--the kinds that predominate in U. S. exports--is rising.

Adversely affecting U. S. tobacco exports, on the other hand, are increased competition from expanded production abroad, and the trade barriers of various forms in many countries. Of considerable concern to foreign buyers are the significant rises in recent years of the Government price support levels (which have been mandatory under the formula provided by existing law) and the sizable increases in the prices paid in the auction markets.

In the year ended June 30, 1959, 40 million pounds of tobacco were shipped under the P. L. 480 program--8 $\frac{1}{2}$ percent of total exports. Fiscal year shipments since inception of the P. L. 480 program were as follows:

<u>Year ending June 30</u>	<u>Million pounds</u>	<u>Percentage of total unmanu- factured tobacco exports</u>
1955	5.4	1.2
1956	78.8	13.6
1957	52.7	10.5
1958	32.2	6.8
1959	40.0	8.5

From the beginning of the Title I program in 1954-55 through June 30, 1959, agreements have been signed with 23 countries and authorizations issued for approximately 250 million pounds of tobacco, worth about 181 million dollars. The quantity of tobacco actually shipped under these authorizations in the past 5 fiscal years totaled 209 million pounds, valued at around 152 million dollars. Approximately 41 million pounds of tobacco remain to be shipped under existing authorizations. It is expected that additional authorizations will be issued under new agreements that are currently being negotiated.

Sales for foreign currency are made under Title I of the Agricultural Trade Development and Assistance Act (Public Law 480). Congress has passed and the President has approved a bill extending the expiration date of Title I for 2 years, until December 31, 1961. Also authorized are an additional \$1 $\frac{1}{2}$ billion a year for Title I operations, which will permit the continuation of programming at the current rate.

Table 10.--Tobacco exports under P. L. 480 programs and totals
by countries, fiscal years 1956-59 1/

(Export weight)

Country	July 1955- June 1956 exports			July 1956- June 1957 exports			July 1957- June 1958 exports			July 1958- June 1959 exports		
	P. L.	Regu-	Total	P. L.	Regu-	Total	P. L.	Regu-	Total	P. L.	Regu-	Total
	480	lar		480	lar		480	lar		480	lar	
	Mil.	Mil.	Mil.	Mil.	Mil.	Mil.	Mil.	Mil.	Mil.	Mil.	Mil.	Mil.
	lb.	lb.	lb.	lb.	lb.	lb.	lb.	lb.	lb.	lb.	lb.	lb.
Austria	5.3	3.1	8.4	0.3	3.1	3.4	1.8	2.1	3.9	0	5.3	5.3
Brazil	.1	.1	.2	0	3.2	3.2	0	.1	.1	.1	0	.1
Burma	0	0	0	1.1	0	1.1	1.3	0	1.3	.1	0	.1
Chile	0	.2	.2	.3	0	.3	0	.2	.2	0	.3	.3
Colombia <u>2/</u>	0	.8	.8	0	.3	.3	.1	.6	.7	.4	.7	1.1
Ecuador	.2	0	.2	.1	.2	.3	.2	0	.2	0	.3	.3
Finland	3.9	3.0	6.9	5.8	1.1	6.9	2.0	0	2.0	5.7	1.4	7.1
France	.9	5.6	6.5	3.5	3.7	7.2	4.5	3.3	7.8	4.1	2.4	6.5
Iceland <u>3/</u>	0	.6	.6	0	.4	.4	.6	0	.6	.6	.1	.7
India	0	.8	.8	0	2.3	2.3	3.3	.4	3.7	2.7	0	2.7
Indonesia	1.0	9.6	10.6	18.1	0	18.1	5.0	1.7	6.7	0	1.6	1.6
Israel <u>1/</u>	.6	0	.6	0	.3	.3	.2	.2	.4	.3	0	.3
Italy	4.2	1.3	5.5	7.1	2.5	9.6	.6	.6	1.2	9.8	3.0	12.8
Japan	6.6	6.1	12.7	3.2	3.8	7.0	0	4.7	4.7	0	13.0	13.0
Korea	6.1	0	6.1	2.4	0	2.4	0	0	0	0	0	0
Pakistan <u>1/</u>	1.8	.5	2.3	3.3	1.2	4.5	0	.1	.1	0	.3	.3
Spain <u>4/</u>	3.6	2.8	6.4	5.0	1.3	6.3	4.0	2.7	6.7	4.4	0	4.4
Taiwan	0	2.6	2.6	2.0	.9	2.9	0	.7	.7	2.0	1.3	3.3
Thailand	2.6	6.9	9.5	.5	8.3	8.8	2.3	12.3	14.6	0	9.6	9.6
U. Kingdom <u>1/</u>	41.9	161.7	203.6	0	148.4	148.4	6.3	158.6	164.9	0	151.2	151.2
Uruguay	0	1.2	1.2	0	7.1	7.1	0	.5	.5	1.3	1.7	3.0
Viet Nam <u>5/</u>	0	4.2	4.2	0	7.6	7.6	0	2.7	2.7	8.5	0	8.5
Total, above countries	78.8	211.1	289.9	52.7	195.7	248.4	32.2	191.5	223.7	40.0	192.2	232.2
Total, all countries <u>6/</u>			577.7			500.7			472.8			473.3

1/ Prior to 1955-56, P. L. 480 shipments totaled 5.4 million pounds--4.7 million to United Kingdom; 0.6 million to Pakistan and 81,000 to Israel.

2/ Mainly tobacco in cigarettes.

3/ Mainly tobacco in cigarettes and packaged smoking tobacco.

4/ Includes manufactured tobacco in bulk form.

5/ Prior to January 1, 1958, Viet Nam-Laos-Cambodia.

6/ Unmanufactured tobacco.

Exports of tobacco are also being made under the barter program, under which sales are made for strategic materials for stockpiling. In the year ending June 30, 1959, contracts were entered into for approximately 5½ million dollars worth of tobacco for barter, and since June 30, for another 5 million dollars worth.

Foreign Producing and Exporting Countries

The principal foreign countries with exportable surpluses of flue-cured tobacco are the Federation of Rhodesia and Nyasaland, Canada and India. Turkey and Greece are the main producers and exporters of oriental tobacco--also a light cigarette tobacco. Flue-cured comprises over two-fifths and oriental around a fourth of all unmanufactured tobacco entering world trade. There is a big increase in the 1959 crop in Rhodesia-Nyasaland but this year's indicated production in the other principal exporting countries is down from 1958.

Table 11.--Production of flue-cured and oriental tobacco in specified countries for specified periods

Country	Year of harvest					
	Average:	Average:	1956	1957	1958	1959 ^{1/}
	1935-39:	1951-55:				
	Mil.lb.	Mil.lb.	Mil.lb.	Mil.lb.	Mil.lb.	Mil.lb.
Flue-cured						
Canada	54.6	139.9	148.7	151.7	181.3	^{2/} 144.0
India	26.9	110.8	138.9	130.0	110.0	100.0
Rhodesia-Nyasaland	28.4	120.8	178.3	148.6	156.0	194.0
Total, countries shown	109.9	371.5	465.9	430.3	447.3	438.0
Oriental						
Greece	132.8	145.3	180.7	242.1	185.8	173.5
Turkey	128.1	223.2	252.1	263.1	226.9	207.9
Total, countries shown	260.9	368.5	432.8	505.2	412.7	381.4

^{1/} Preliminary.

^{2/} Canadian Government crop estimate based on conditions as of September 1.

Compiled from reports of Foreign Agricultural Service.

The flue-cured crop harvested in early 1959 in Rhodesia-Nyasaland is estimated at 194 million pounds--nearly a fourth larger than produced in the preceding year and the biggest on record. In the main producing area of Rhodesia, acreage was up a little and yields averaged 880 pounds per acre--the highest on record. Rhodesian growers have been cautioned by their Association against overplanting for the 1959-60 season, and have also been asked to concentrate on quality improvement. During the current marketing season through September 3, 168 million pounds of Rhodesian tobacco were sold, at an average price equivalent to 41 U. S. cents. In the corresponding sales period a year ago, 132 million pounds were sold at an average of about 44 cents. In the first 6 months of 1959, the Federation exported about 66½ million pounds of tobacco (85 percent flue-cured)--over a sixth above a year earlier. More than half of the total went to the United Kingdom, which took 20 percent more than in the first half of 1958. Over a sixth was consigned to other Commonwealth areas, mainly Australia, Union of South Africa and Hong Kong. Principal outlets in West Europe and quantities taken by each were Germany, 5.6 million pounds; Netherlands, 4.8 million; and Belgium, 2.1 million. Lesser shipments went to Denmark, Norway, Sweden and Switzerland.

Canadian production of flue-cured in 1959 (based on September 1 conditions) is estimated at about 144 million pounds--down about a fifth from last year's record crop. Acreage is estimated to be 6 percent smaller, and average yields will also be lower than last year's because of damage from hail and frost in some areas. The average price of the 1958 flue-cured crop was the equivalent of about 48 U. S. cents a pound, approximately 3 cents less than received for the 1957 crop. In the first 5 months of 1959, Canada exported 26 million pounds of unmanufactured tobacco (95 percent flue-cured)--nearly a fourth more than a year earlier. Close to 90 percent of the total went to the United Kingdom, and about half of the rest to other Commonwealth areas.

India's 1959 flue-cured crop is placed at around 100 million pounds--a tenth smaller than last year's outturn. Peak production was in 1956, when a crop of 139 million pounds was harvested. Exports of unmanufactured tobacco in 1958 amounted to 106 million pounds, of which 90 million were flue-cured. About 40 percent of all tobacco exports was consigned to the United Kingdom, and roughly another 15 percent to other Commonwealth areas. Leading non-Commonwealth markets for Indian tobacco in 1958 were China, Soviet Union, Belgium, Netherlands, Egypt, French West Africa and West Germany.

In Turkey, the 1959 oriental crop is estimated at 208 million pounds--6 percent below 1958 and 21 percent below the record production in 1957. Exports in the first 6 months of 1959 were 107 million pounds--15 percent less than in the comparable period of 1958. The United States, leading outlet, took 12 percent more than a year earlier. Of the other major markets, West Germany, East Germany, Soviet Union and Czechoslovakia took less than in January-June 1958, while exports to Poland were about equal.

The 1959 production of oriental tobacco in Greece, estimated at 174 million pounds, is 7 percent smaller than a year earlier. Exports in January-June 1959 totaled 40 million pounds--2½ percent below those in the corresponding period of 1958. Consignments to the U. S. dropped by nearly two-fifths, and less than a year earlier also went to Soviet Union, Austria and East Germany.

On the other hand, exports to West Germany increased over an eighth, and larger shipments than a year earlier also went to Italy, Belgium, Finland and Portugal.

British Tobacco
Situation

The United Kingdom is the largest single foreign market for U. S. tobacco, accounting for approximately a third of total U. S. exports of unmanufactured tobacco in recent years. Flue-cured is the principal kind of tobacco imported, and goes chiefly into cigarettes--by far the predominant form of tobacco use in the United Kingdom. British consumption of cigarettes has been gaining and in 1958 was 2 percent higher than in 1957, with filter tips comprising about 10 percent of the total. The British cigarette normally contains only flue-cured tobacco, differing from the average American cigarette which is a blend of flue-cured, burley, Maryland and oriental tobacco. Fairly substantial quantities of pipe tobacco are also consumed in the United Kingdom, but use of cigars and snuff is very small.

Tobacco is imported into the United Kingdom both for home consumption and for export--largely in the form of cigarettes. For many years except those just following World War II, the United Kingdom was the world's leading exporter of cigarettes, but in both 1957 and 1958, U. S. cigarette exports exceeded the volume shipped by Britain.

Gross clearances of tobacco from bond in the United Kingdom are an approximate measure of home use and exports combined. In the past 6 years, gross clearances rose steadily by amounts ranging from 2 million to 8 million pounds a year. Gross clearances in 1958 at 310 million pounds were 1.6 percent above 1957, and were exceeded only by those in 1945 and 1946. In the first half of 1959, however, gross clearances were a little below those a year earlier. British home consumption of tobacco in the first 6 months of 1959 was up by $1\frac{1}{2}$ percent but this was more than offset by lower exports. Cigarette exports in January-June 1959 were a sixth less than in the corresponding period of 1958. Smaller shipments than a year earlier went to the majority of leading destinations--including Malaya, Singapore, Aden, Hong Kong, New Zealand, Cyprus, West Germany and Arabian States. Larger exports than a year ago went to Persian Gulf Establishments, France, Sudan and West Indies Federation.

Of last year's gross clearances of tobacco, flue-cured from the 4 major suppliers comprised about 28 $\frac{1}{4}$ million pounds--nine-tenths of the total. About 53 percent of this flue-cured came from the U. S., 25 percent from Rhodesia, 13 percent from India, and 9 percent from Canada. In January-May 1959 compared with a year earlier, gross clearances of U. S. flue-cured declined 4.7 percent; Indian flue-cured, 5.1 percent; and Canadian flue-cured, 3.7 percent. Those of Rhodesian flue-cured increased 1.4 percent. Gross clearances of Nyasaland dark fire-cured and oriental tobacco from Turkey were also lower, but those of oriental tobacco from Greece increased. Gross clearances of air- and sun-cured from India and Nyasaland were little changed from those in January-May 1958.

Table 12.--United Kingdom tobacco: Imports, stocks, clearances, and exports for specified periods

Period	Imports <u>1/</u>			Stocks Dec. 31	Gross clearances from bond <u>3/</u>			Exports of manu- factured tobacco	Re- exports of unmanu- factured tobacco
	From U. S. <u>2/</u>	From Common- wealth coun- tries <u>2/</u>	Total		Non- prefer- ential <u>2/</u>	Prefer- ential <u>2/</u>	Total		
	Million pounds	Million pounds	Million pounds	Million pounds	Million pounds	Million pounds	Million pounds	Million pounds	Million pounds
Average									
1934-38	213	57	275	497	185	47	232	39	12
1939-45	182	63	255	310	215	62	277	27	5
1946	366	62	433	383	261	61	322	55	7
1947	201	82	296	384	235	57	292	52	1
1948	172	97	281	390	204	67	271	45	1
1949	154	119	302	419	190	81	271	47	2
1950	144	146	306	445	180	91	271	43	4
1951	212	131	355	498	183	104	287	51	7
1952	67	143	224	430	172	108	280	47	12
1953	174	127	316	452	167	116	283	45	9
1954	160	139	312	468	168	122	290	41	4
1955	179	149	344	507	173	125	298	44	4
1956	160	146	318	523	173	127	300	45	3
1957	168	141	319	532	170	135	305	41	3
1958 <u>4/</u>	164	145	316	534	172	138	310	41	2
Jan.-July									
1955	40	84	134	<u>5/</u> 417	<u>6/</u> 84	<u>6/</u> 60	<u>6/</u> 144	26	2
1956	48	59	115	<u>5/</u> 455	<u>6/</u> 86	<u>6/</u> 63	<u>6/</u> 149	25	1
1957	40	76	121	<u>5/</u> 462	<u>6/</u> 85	<u>6/</u> 68	<u>6/</u> 153	24	2
1958	41	79	125	<u>5/</u> 469	<u>6/</u> 87	<u>6/</u> 69	<u>6/</u> 156	24	1
1959	24	88	115	<u>5/</u> 470	<u>6/</u> 85	<u>6/</u> 70	<u>6/</u> 155	20	1

1/ Unmanufactured tobacco.

2/ Since 1946 the full duty rate on tobacco from the United States and other non-preferential areas has been about 3 percent above the preferential rate on tobacco from Commonwealth areas. In the prewar period, the full duty rate was over 25 percent above the preferential rate.

3/ Largely withdrawals for manufactures for home use and export.

4/ Subject to revision.

5/ June 30.

6/ January-June.

Compiled from the Annual Statement of Trade and Accounts Relating to Trade and Navigation of the United Kingdom.

Table 13.--Unmanufactured tobacco imports into the United Kingdom from major sources, average 1935-39, annual 1948-59

Year ending June 30	United States	Rhodesia and Nyasaland	India	Canada	Turkey	Greece	Other	Total
	Million pounds	Million pounds	Million pounds	Million pounds	Million pounds	Million pounds	Million pounds	Million pounds
Average 1935-39	210.6	28.4	18.1	12.3	0.6	0.6	4.5	275.1
1948	130.7	46.0	21.8	13.1	1.2	.1	2.6	215.5
1949	147.5	56.3	32.5	13.0	25.4	5.6	3.9	284.2
1950	162.4	64.9	46.6	15.0	13.7	1.3	5.5	309.4
1951	146.7	82.6	42.1	20.2	1.9	1.0	6.9	301.4
1952	223.1	62.0	43.8	36.2	1.9	1.2	10.8	379.0
1953	105.0	74.0	32.3	12.4	1.2	.8	14.7	240.4
1954	127.4	69.4	34.0	32.3	2.1	1.0	14.6	280.8
1955	151.9	82.7	36.1	40.2	3.5	1.6	10.9	326.9
1956	208.5	60.8	40.2	21.1	3.3	1.9	9.7	345.5
1957	148.6	91.6	36.0	30.4	2.2	.1	7.5	316.4
1958	162.1	78.4	45.6	21.8	2.2	1.4	5.7	317.2
1959	157.6	73.2	47.2	28.8	.3	.2	7.5	314.8
Percentage change								
	Percent	Percent	Percent	Percent	Percent	Percent	Percent	Percent
Average 1935-39 to 1959	-25.2	157.7	160.8	134.1	-50.0	-66.7	66.7	14.4
1958 to 1959	-2.8	-6.6	3.5	32.1	-86.4	-85.7	31.6	-.8
Percentage distribution								
	Percent	Percent	Percent	Percent	Percent	Percent	Percent	Percent
Average 1935-39	76.6	10.3	6.6	4.5	0.2	0.2	1.6	100.0
1948	60.6	21.3	10.1	6.1	.6	---	1.3	100.0
1949	51.8	19.8	11.4	4.6	8.9	2.0	1.5	100.0
1950	52.5	21.0	15.1	4.9	4.4	.4	1.7	100.0
1951	48.6	27.4	14.0	6.7	.6	.3	2.4	100.0
1952	58.9	16.4	11.5	9.6	.5	.3	2.8	100.0
1953	43.7	30.8	13.4	5.2	.5	.3	6.1	100.0
1954	45.4	24.7	12.1	11.5	.7	.4	5.2	100.0
1955	46.5	25.3	11.0	12.3	1.1	.5	3.3	100.0
1956	60.4	17.6	11.6	6.1	1.0	.5	2.8	100.0
1957	47.0	28.9	11.4	9.6	.7	---	2.4	100.0
1958	51.1	24.7	14.4	6.9	.7	.4	1.8	100.0
1959	50.1	23.2	15.0	9.1	.1	.1	2.4	100.0

Basic data compiled from Accounts Relating to Trade and Navigation of the United Kingdom.

Imports of unmanufactured tobacco in the year ended June 30, 1959 totaled 315 million pounds--a little below 1957-58. Receipts from the U. S. were 3 percent less than a year earlier, but 6 percent above 2 years earlier. Imports from Rhodesia-Nyasaland were down moderately, but there was a small increase in those from India, while imports from Canada jumped by nearly a third. (See table 13.)

At the end of June 1959, stocks of tobacco in the United Kingdom totaled 470 million pounds--slightly more than a year earlier. Stocks amounted to 18 months' use as represented by July 1958-June 1959 gross clearances. Midyear stocks have been maintained at a level equal to 18 months' use for 4 successive years. Stocks in mid-1955--before sizable additional imports were received under the P. L. 480 program of the U. S.--amounted to about $16\frac{1}{2}$ months' use. At the end of May 1959, British stocks of U. S. flue-cured at 252 million pounds were 2 percent larger than a year earlier. Stocks of Rhodesian flue-cured amounted to 81 million pounds; Indian flue-cured, 56 million; and Canadian flue-cured, 38 million. Holdings of Rhodesian flue-cured were down 8 percent, but those of Indian and Canadian flue-cured were larger by 10 percent and 2 percent, respectively. Stocks of Nyasaland dark air-cured on May 31, 1959 were slightly below those on the same date a year ago. Air- and sun-cured from India was somewhat lower, but from Nyasaland, was a little larger than a year earlier. There were substantial percentage declines in stocks of oriental tobacco from Turkey and Greece, compared with holdings on May 31, 1958.

UNITED STATES IMPORTS AND STOCKS OF FOREIGN GROWN TOBACCO 2/

Foreign grown tobacco is imported into this country mainly for blending with domestic types in the manufacture of cigarettes and cigars. Tobacco imports for consumption in the year ended June 30, 1959 totaled 152 million pounds--21 percent above 1957-58 and a new high. Almost three-fourths of the 1958-59 imports was cigarette leaf and nearly all the rest was for use in cigars.

Cigarette leaf imports at $110\frac{1}{2}$ million pounds were a sixth above those in 1957-58. Receipts from Turkey and Greece--our principal suppliers--were up by 16 percent and 21 percent, respectively. On July 1, 1959, stocks of foreign-grown cigarette and smoking tobacco amounted to 235 million pounds--down slightly from the record midyear holdings in 1958. Use of imported cigarette leaf showed a sizable increase in 1958-59.

In the year ended June 30, 1959, about 31 million pounds of cigar tobacco were imported from Cuba, the principal source. This was nearly a fourth more than in 1957-58. Much of the increase was in imports of scrap,

2/ Imports of tobacco for consumption are on a declared-weight basis and stocks are on an unstemmed-equivalent basis.

which jumped by a third. There were also increased imports of stemmed and unstemmed filler, and stems, not cut, ground, or pulverized. Imports of the stems have risen significantly in recent years. Imports of cigar wrapper from Cuba in 1958-59 were even with those a year earlier. The July 1 stocks of Cuban tobacco at 25 million pounds were about 7 million above a year earlier and the largest midyear holdings since 1948.

Imports of tobacco from the Philippine Republic--mostly scrap--at about $9\frac{1}{2}$ million pounds during the past fiscal year were 85 percent above those a year earlier and were exceeded only by imports in 1939-40. July 1, 1959 stocks of Philippine tobacco in this country at 12.9 million pounds were nearly $5\frac{1}{2}$ million above a year earlier and the largest July 1 holdings on record.

Imports of cigar wrapper from Indonesia, which have dwindled in recent years, amounted to a little under 50,000 pounds in 1958-59. Stocks on July 1, 1959 were 84,000 pounds.

OUTLOOK AND SITUATION FOR TOBACCO LEAF

Flue-Cured, Types 11-14

Domestic Use and Exports

Domestic use of flue-cured at 736 million pounds during July 1958-June 1959 was virtually the same as in July 1957-June 1958 despite a 6.6 percent increase in output of cigarettes--the major product in which flue-cured is used. Domestic use is estimated by adding production and beginning stocks to obtain total supply, then subtracting ending stocks and exports during the 12-month period. Although the resulting figure is not considered to be a precise measure of leaf tobacco utilized, it is considered to be a fairly good indicator of the approximate quantity on a farm-sales weight basis. The Domestic use figure for each of the past 2 years exceeded 1956-57 by nearly $4\frac{1}{2}$ percent and the 1955-56 figure by 1 percent but was below each of the 5 previous years. Domestic use during 1959-60 might increase some, but based on average experience in the past few years, by a smaller percentage than cigarette output.

The 1958-59 exports of flue-cured at 443 million pounds (farm-sales weight) just topped the 1957-58 figure of 442 million pounds but were 5 percent below 1956-57. The average for the 10 years preceding 1958-59 is 449 million pounds. Due to large supplies available from foreign producing areas, there appears to be little prospect for any increased exports of flue-cured during the 1959-60 marketing year. Also, though the U. S. crop is bigger than last year, increased prices of several important export grades may deter larger purchases by some importing countries.

During 1958-59 the United Kingdom took 9 percent less flue-cured than in 1957-58 but slightly more than the average of the preceding 5 years. Exports to Britain, the first ranking foreign outlet, accounted for 38 percent of total flue-cured exports in 1958-59. West Germany took 21 percent more

Table 14.--United States imports for consumption of unmanufactured tobacco, from principal supplying countries, for specified periods

Classification and country of origin	(Declared weight)							
	Calendar year			Year ending June 30		January-July		
	Average	Average	Average	1958	1959	1958	1959	1959
	1924-28 1/	1934-38	1952-56	2/	2/	2/	2/	as per- centage of 1958
	Million pounds	Million pounds	Million pounds	Million pounds	Million pounds	Million pounds	Million pounds	Million pounds
Cigarette leaf								
Unstemmed:								
Turkey	13.1	18.2	57.4	59.3	68.9	29.6	39.7	134
Grace	20.1	18.8	16.2	25.5	30.8	13.4	18.6	139
Syria	.2	.5	2.8	1.2	.8	.7	.6	86
Italy	10.8	4.7	1.4	1.9	1.7	1.0	1.1	110
Cyprus	0	.1	.3	.9	1.1	.7	.6	86
Yugoslavia	0	0	1.8	3.5	2.6	1.9	2.5	132
Total 3/	46.1	44.4	81.0	94.6	110.4	48.5	64.5	133
Cigar leaf (filler)								
Cuba:								
Stemmed	13.8	7.1	9.3	8.5	9.4	4.1	5.4	132
Unstemmed	7.8	4.1	4.4	3.0	3.7	1.4	2.3	164
Philippines, Rep.								
Stemmed	) 1.7	) 4/	.6	.2	.4	.1	.2	200
Unstemmed	)	)	.1	0	.1	0	6/	---
Total 3/	22.4	11.3	14.5	12.0	13.6	5.7	7.9	139
Scrap:								
Cuba	1.8	2.9	9.5	12.1	16.2	5.7	9.4	165
Philippines, Rep.	0	4/3.2	2.6	5.0	9.1	1.4	5.5	393
Total 3/	1.9	6.1	12.1	17.3	25.8	7.2	15.3	212
Cigar wrapper (unst.)								
Indonesia	5/6.1	5/1.9	.4	.1	6/	6/	6/	---
Cuba	.1	.2	.5	.5	.5	.2	.3	150
Total 3/	6.3	2.1	.9	.6	.7	.3	.4	133
Stems 7/								
Cuba	)	0	.4	.7	1.0	.3	.7	233
United Kingdom	) n.a.	1.7	.5	.5	.3	.1	.1	100
Total 3/	1.6	2.4	.9	1.2	1.5	.5	1.1	220
Total imports	78.3	66.3	109.4	125.7	152.0	62.2	89.2	143

1/ General imports. 2/ Preliminary. 3/ Includes relatively small quantities from other countries not separately listed. 4/ Reported as leaf in 1934-35 and as scrap in 1936-38. 5/ From Netherlands Indies or Netherlands. 6/ Less than 50,000 pounds. 7/ Not cut, ground, or pulverized.

flue-cured in 1958-59 than in 1957-58 and 8 percent more than the preceding 5-year average. West Germany was the second ranking outlet--accounting for 15 percent of total exports. Flue-cured exports to Australia, the third ranking outlet, declined 12 percent from 1957-58 to 1958-59 but were nearly 6 percent above the preceding 5-year average. Netherlands and Belgium ranked fourth and fifth in 1958-59, though they took approximately equal quantities. Shipments to Netherlands dropped 39 percent below 1957-58 and 49 percent below the preceding 5-year average. In contrast, shipments to Belgium rose 27 percent from 1957-58 and were 5 percent above the preceding 5-year average. Next ranking outlets in 1958-59 were Japan, Ireland and Denmark. Shipments to Japan were a record high--177 percent above the low 1957-58 figure and 43 percent above the 5-year average. Flue-cured exports to Ireland rose 41 percent and were fairly close to the preceding 5-year average. Shipments to Denmark were a record high--8 percent above 1957-58 and 27 percent above the preceding 5-year average. There was a precipitous drop in exports to Sweden in 1958-59--68 percent below 1957-58 and 60 percent below the 5-year average. On the other hand, exports of flue-cured to Italy jumped sharply-- $8\frac{1}{2}$ times the small 1957-58 figure and a record. Flue-cured exports to Norway and Portugal held about even with a year earlier but those to Switzerland and Spain were down sharply. There was a sharp increase in flue-cured exports to Finland from a very low figure in 1957-58 and also there were sizable increases to France and Austria. Record quantities of flue-cured went to New Zealand and Viet Nam in 1958-59. Thailand took about 35 percent less than the record 1957-58 figure, though 29 percent more than the preceding 5-year average. Flue-cured exports to Indonesia fell sharply in the past 2 years and in 1958-59, were only a small fraction of the recent 5-year average. Egypt took about 43 percent less flue-cured in 1958-59 and 47 percent less than the preceding 5-year average. The Philippine Republic took a significant quantity after 2 years when only negligible quantities went there. Hong Kong took slightly more than in 1957-58 but less than in other recent years. Mexico and Taiwan took significantly more than in other recent years.

1959-60 Supplies

Carryover of flue-cured on July 1, 1959 totaled 2,210 million pounds--nearly 100 million less than a year earlier and about 300 million below the peak level of 2 years earlier. The September 1 estimate of production is 1,136 million pounds, 5 percent larger than last year's crop but third smallest since 1949. Acreage is about 9 percent above 1958. The increase mainly reflects the return to production of acreage that last year was placed in the acreage reserve program of the Soil Bank. Farm acreage allotments were substantially the same. Indicated yields per acre for all types of flue-cured combined average 4 percent below last year's record but do not vary uniformly from last year for individual types. Yields per acre of types 11 and 13 are indicated as averaging only slightly less than last year's record levels; yields of types 12 and 14 may average 8 and 4 percent lower than last year. Nevertheless, the type 12 yield would be the third highest on record and the type 14, the second highest.

(Farm-sales weight)

1/ Year beginning July 1. 2/ Subject to revision. 3/ As of applicable date when support level was computed. 4/ Actual loan stocks on a packed-weight basis average about 11 percent less than these farm-sales weight figures. 5/ An additional 78.4 million pounds under option to British manufacturers were pledged for CCC loans, but were purchased and shipped by mid-1953. 6/ Through mid-September, 23 million pounds, 3 percent of market deliveries were placed under loan.

The 1959-60 total supply--carryover plus this year's crop--at 3,346 million pounds is only about 1 percent lower than 1958-59 but 9 percent below the peak level of 1956-57. The supply is about 2.8 times prospective disappearance compared with 3.1 in 1956-57. For the 5 years prior to 1956-57, the supply-disappearance ratio averaged 2.6. Carryover by July 1, 1960 may be around 2,155 million pounds--roughly 50 or 60 million pounds less than last July 1.

The 1960 marketing quota and acreage allotment for flue-cured will be announced by the Secretary of Agriculture by December 1. Growers of flue-cured approved marketing quotas for their 1959-61 crops in a referendum held last December.

Price Support and Prices

Under existing legislation, the 1960 price support for flue-cured is mandatory at 90 percent of parity. For the 1959 crop now being marketed, the applicable support level is $55\frac{1}{2}$ cents per pound--90 percent of the July 1, 1959 flue-cured parity price. The 1959 support level is nine-tenths of a cent higher than for the 1958 crop and above that for any previous crop.

The 1959 auction market prices for all types combined through the third week of September averaged 59.1 cents per pound compared with 57.2 cents in the comparable period of last season. Approximately 60 percent of the crop had been marketed.

Auction market volumes and prices in the five Belts through the third week of September compared with those of the corresponding period of last season are as follows:

	<u>Sales volume</u>		<u>Average price</u>	
	<u>1958</u>	<u>1959</u>	<u>1958</u>	<u>1959</u>
	<u>Mil.</u>	<u>Mil.</u>	<u>Ct. per</u>	<u>Ct. per</u>
	<u>lb.</u>	<u>lb.</u>	<u>lb.</u>	<u>lb.</u>
Ga.-Fla., type 14 (sales finished)	134.1	160.6	57.1	57.8
S. C. and Border N. C., type 13	251.1	270.2	59.6	62.1
Eastern N. C., type 12	208.5	228.1	54.6	57.5
Middle Belt, type 11(b)	36.3	53.4	55.4	56.8
Old Belt, type 11(a)	15.5	23.4	56.9	53.0

In the Georgia-Florida Belt, marketings this year ran from July 23 through August 21. Volume was about a fifth greater than last season. Prices averaged record high though exceeding 1958 by only a small margin. A heavy majority of the grades had higher averages than last year. Growers placed $1\frac{3}{4}$ million pounds under Government loan compared with 2.4 million in the 1958 season.

In the Border Belt, where auctioning began July 30, marketings were nearing completion by late September. The price average for sales through the third week of September was 4 percent above last season's average and

a record high. Approximately 11 million pounds were placed under Government loan, much less than the $35\frac{1}{2}$ million pounds in the 1958 season.

In the Eastern Belt, where auctions started August 18, prices through the third week of September averaged 5 percent higher than in the comparable period of last season but only slightly above the average for the entire 1958 season. Receipts under Government loan were far smaller than last season-- $2\frac{1}{2}$ percent of market deliveries in contrast with 16 percent in the comparable period of the 1958 season.

In the Middle Belt, where auctions opened August 31, prices for the first 3 weeks sales averaged $2\frac{1}{2}$ percent above those for the comparable period last season. Receipts under Government loan amounted to about $5\frac{1}{2}$ percent of market deliveries in contrast with 11 percent during the corresponding period of the 1958 season.

In the Old Belt, where auctions began September 14, prices for the first week's sales averaged 7 percent below the comparable figure for last season. Placements under Government loan accounted for $8\frac{1}{2}$ percent of total market deliveries compared with 9 percent in the first week of last season.

Burley, Type 31

Domestic Use and Exports

Disappearance of burley in the October 1958-September 1959 marketing year is estimated at 514 million pounds--2 percent more than in 1957-58. Indications are that domestic use totaled about 480 million pounds--a gain of 1 percent over the preceding year. The predominant share of burley used in this country goes into cigarettes, though substantial quantities are also used in manufacture of smoking tobacco and plug chewing. In the period October 1958-July 1959, cigarette production was 7 percent larger than a year earlier, but output of smoking tobacco and plug chewing each declined about 1 percent.

Domestic utilization of burley decreased steadily from 519 million pounds in 1952-53 to 474 million in 1957-58, lowest in 12 years. The decline in the 1955-57 seasons occurred despite increases in cigarette production of 3 to 5 percent annually. This reflected at least in part manufacturing innovations that enabled the industry to produce more cigarettes per pound of tobacco, farm-sales weight. The increase in domestic burley disappearance estimated for 1958-59 may indicate that appreciable gains in cigarette output will be accompanied by increased disappearance of farm-sales weight burley, although such increases probably will be smaller percentagewise. The 1959-60 use of burley may show another small increase, because of the anticipated rise in cigarette manufacture.

Exports of burley in 1958-59 may be near 34 million pounds (farm-sales weight)--6 million more than in each of the 2 previous marketing years.

(Farm-sales weight)

1/ Year beginning October 1. 2/ Subject to revision. 3/ As of applicable date when support level was computed. 4/ Actual loan stocks on a packed-weight basis average about 11 percent less than these farm-sales weight figures; includes approximately 11 million pounds of 1952-54 crops in CCC inventories. 5/ Based on data for August. 6/ Will be 90 percent of October 1 parity price, which is based on data for September. *Estimated.

During October 1958-July 1959 (five-sixths of the full marketing year), burley exports were over a fourth larger than those a year earlier. A large part of the increase was attributable to a jump in exports to Italy and France. Italy took approximately 4 million pounds (farm-sales weight), compared with less than a half-million in October 1957-July 1958. France took over 2 million pounds, compared with roughly 600,000 pounds a year earlier. Germany, the ranking outlet, and Mexico each increased takings by 9 percent, while exports to Denmark more than doubled. On the other hand, exports to Sweden declined 7 percent, and those to Portugal dropped 41 percent. There were increases in shipments to Norway, Finland and Australia, but none was reported going to Egypt, which in recent years has taken approximately $1-1\frac{1}{2}$ million pounds annually.

1959-60 Supplies

The carryover of burley on October 1, 1959 is estimated at 1,237 million pounds--48 million less than a year ago and 110 million below the peak on October 1, 1955. The September estimate of the 1959 crop is 499 million pounds--7 percent more than harvested last year. This year's burley acreage is up a little from 1958, and the average yield for the Belt as a whole is indicated as of September to be the highest on record. Farm acreage allotments were substantially the same as last year.

The 1959-60 total supply of burley--carryover plus the new crop--will be around 1,736 million pounds, 1 percent less than in 1958-59. Supplies of burley have declined gradually from the record total of 1,866 million pounds in 1954-55. Prospective 1959-60 supplies are equal to 3.4 times probable disappearance, compared with a ratio of 3.6 in 1954-55. A desirable average level of supply is generally considered to be 2.8 times disappearance. Carry-over of burley on October 1, 1960 is likely to be lower than the estimated level of this year, but the percentage decline will be small.

The 1960 burley marketing quota and acreage allotment will be announced by the Secretary of Agriculture by February 1, 1960. Burley growers approved marketing quotas for their 1959-61 crops in a referendum held last February.

Price Supports and Prices

Under existing law, the 1960 crop of burley must be supported at 90 percent of parity. Support at this level is mandatory when marketing quotas are in effect.

The 1959 crop will also be supported at 90 percent of parity. Price support legislation provides for the announcement of a minimum level of support prior to planting time, but the actual level of support is the announced minimum or 90 percent of the October 1 parity, whichever is higher. A minimum support level for 1959 burley was not announced this spring because legislative changes in the price support program being considered at the time by Congress made such action impracticable. The parity price for burley based on August data (and

applicable to September) was 63.6 cents per pound. Ninety percent of this is 57.2 cents--1.8 cents or 3 percent higher than the support level in effect for last year's crop. Should the parity price for burley change by October 1, the support level for the 1959 crop will reflect about the same percentage change from 57.2 cents.

Last year's crop brought a record average of 66.1 cents per pound--nearly a tenth more than for the 1957 crop and a fifth more than the 1952-56 average. Only about $2\frac{1}{2}$ percent of the crop was placed under price support loan.

Auction markets for sales of the 1959 crop are expected to begin in late November.

Maryland, Type 32 3/

Domestic Use and Exports

The total disappearance of Maryland tobacco in the October 1958-September 1959 marketing year is estimated at about 39 million pounds--2 million more than in 1957-58. Domestic use, estimated at close to 25 million pounds, is near the quantity utilized in 1957-58. Most Maryland tobacco used domestically goes into cigarettes, but certain grades are used in some cigars. Exports in the marketing year just ending may be near 14 million pounds, farm-sales weight--over 2 million more than in 1957-58 and probably topping the previous postwar high attained in 1956-57.

During the first 10 months of 1958-59, Maryland exports were over a fourth larger than a year earlier, due mainly to increased takings by Portugal, Belgium and Germany. Switzerland, accounting for approximately half of the total, took 6 percent less than in October 1957-July 1958. Portugal--a relatively new market for Maryland tobacco--was the second ranking outlet, taking more than 3 times as much as a year ago. Exports to Germany spurted 57 percent, while Belgian takings more than tripled. A substantial quantity was exported to Viet Nam. Less Maryland than a year earlier went to Spain, and none was yet reported going to Tunisia, which in the 1957-58 marketing year took over a half-million pounds.

1959-60 Supplies

The 1959 auction sales and hogshead market receipts of mostly 1958-crop tobacco have totaled about 29 million pounds. Carryover of Maryland tobacco on January 1, 1960 is likely to be near 64 million pounds--approximately 7 million less than January 1, 1959 and lowest since 1951. The September estimate for

3/ For marketing quota purposes, the carryover and total supply of Maryland tobacco are calculated as of January 1 falling within the marketing year--the 12-month period, October 1 through September 30. Disappearance is calculated on the October-September basis.

(Farm-sales weight)

1/ For marketing quota purposes, the carryover and total supply of Maryland tobacco are calculated as of January 1 falling within the marketing year—October 1 through September 30. 2/ Year beginning October 1. 3/ Subject to revision. 4/ As of applicable date when support level was computed or October 1. 5/ Actual loan stocks on a packed-weight basis average about 2 percent less than these farm-sales weight figures. 6/ Marketing quota not in effect since less than two-thirds of growers voting approved. 7/ Based on data for August. *Estimated. #Auction market average.

the 1959 Maryland crop is 32.4 million pounds--3 percent larger than last year's estimated outturn. The 1959 crop is being produced without acreage allotments and marketing quotas. Acreage is estimated to be up 9 percent from 1958 but the average yield per acre is indicated to be below the levels of the two preceding years. This year's crop plus the expected carryover will provide a 1959-60 total supply of 96 million pounds--about 6 million lower than for this year and probably the smallest since 1950-51.

In last February's referendum, the number of votes in favor of marketing quotas on Maryland tobacco fell a little short of the two-thirds majority required to continue them on the next 3 crops. In a referendum to be held not later than the end of February 1960, growers will vote on whether marketing quotas are to be applicable to the 1960, 1961 and 1962 crops.

Price Supports and Prices

Government price support will not be available for the 1959 crop when it is marketed next year since more than a third of producers voting disapproved quotas. When marketing quotas are in effect, price support for Maryland tobacco is mandatory at 90 percent of parity.

This year, auctions for 1958 crop Maryland tobacco were held from April 28 through July 17. The auction market average was 61.8 cents a pound--40 percent above the previous year's average and the highest on record. Sales volume was the smallest in 13 years; quality of offerings was considerably improved over that of the drought-affected 1957 crop and was the best in several years. The price support level for 1958 crop Maryland was 50.8 cents per pound. About 4 percent of market deliveries went under Government loan, compared with 17 percent in the previous year. In addition to the 26.7 million pounds sold at this year's auction, another 2.6 million pounds were received at the Baltimore hoghead market by July 16.

Fire-Cured, Types 21-23

Domestic Use and Exports

Disappearance of the fire-cured types in the marketing year beginning October 1958 is estimated at about 55 million pounds--down about 8 million from the levels in each of the 2 preceding years. Indications are that both domestic disappearance and exports were smaller than in 1957-58. Domestic use is estimated at near 31 million pounds--2 to 3 million below 1957-58. The principal domestic outlet for fire-cured is in the manufacture of snuff, which in the October 1958-July 1959 period was down only slightly from year-earlier levels. As the indicated decline in domestic disappearance of fire-cured was proportionately much larger, it may be that less fire-cured was used in other products than in 1957-58.

Exports of fire-cured in 1958-59 are placed at near 24 million pounds (farm-sales weight)--5 million less than in 1957-58. During the first 10 months of the 1958-59 marketing year, exports of Kentucky-Tennessee leaf were more

than a fourth below those in the corresponding period of 1957-58. The Netherlands, accounting for nearly two-fifths of the total, took moderately more. There were increases in exports to Switzerland, third ranking outlet, and to Egypt, Denmark, United Kingdom, Viet Nam, Canary Islands and Australia. However, these gains were more than offset by sharp reductions in exports to France, Belgian Congo, Belgium, Indonesia, Italy and Sweden. France, second ranking outlet, took only a third as much as in October 1957-July 1958. None was reported as going to Belgian Congo and Indonesia; but these destinations took substantial quantities in the 1957-58 marketing year. Belgium and Sweden each cut their takings approximately in half, while exports to Italy dropped to less than a tenth of those a year earlier.

Exports of Virginia fire-cured in October 1958-July 1959 were about a fifth less than in the corresponding months of 1957-58. Consignments to Norway, as usual the leading outlet, fell 26 percent. Less also went to Germany, Netherlands and Austria, but takings by the United Kingdom, Sweden, Switzerland and Australia were larger than in the comparable period of 1957-58.

1959-60 Supplies

Carryover of the combined fire-cured types on October 1, 1959 is estimated at approximately 122 million pounds--8 percent below a year earlier and lowest since 1946. The September estimate of this year's crop is 54 million pounds--25 percent above the 1958 crop, smallest on record. The 1959 fire-cured acreage is up nearly one-sixth from last year, mainly because of the return to production of land placed in the Soil Bank acreage reserve. The average yield per acre in Virginia is indicated as surpassing last year's record. For Kentucky-Tennessee type 22, yields are estimated to be up from the relatively low yield of 1958. The average yield indicated for Kentucky-Tennessee type 23, also is substantially higher than last year's. For the fire-cured types as a whole, the per acre yields may be the second highest on record.

Present indications point to total supplies of fire-cured tobacco in 1959-60 of 176 million pounds--slightly below the relatively low level of 1958-59. Carryover on October 1, 1960 may be reduced somewhat from its current level.

The 1960 marketing quotas and acreage allotments for Virginia fire-cured (type 21) and for Kentucky-Tennessee fire-cured (types 22-23) will be announced by the Secretary of Agriculture by February 1. Growers of the three fire-cured types approved marketing quotas for their 1958-60 crops in a referendum held February 1958.

Price Supports and Prices

As marketing quotas will continue in effect, Government price support will be available for the 1960 crop of fire-cured tobacco. Separate parity prices are established for type 21 and for types 22-23. Under existing law,

Table 18.—Fire-cured tobacco, type 21: Domestic supplies, disappearance, season average price, and price support operations for specified periods

[illegible]

1/ Year beginning October 1. 2/ Subject to revision. 3/ As of applicable date when support level was computed. 4/ Data for 1950-57 are parity prices for all fire-cured tobacco--starting with 1958 type 21 parity computed separately. 5/ Set at 75 percent of burley support, but since 1957, cannot exceed its 1957 support level unless 90 percent of type 21 parity exceeds such level. 6/ Actual loan stocks on a packed-weight basis are somewhat lower than these farm-sales weight figures. 7/ Based on August data. 8/ Will be 38.8 cents per pound unless, as is very unlikely, 90 percent of the October 1 parity price (based on September data) exceeds this figure. *Estimated.

price supports for these kinds are based on 75 percent of the burley support, but may not exceed their 1957 support level--38.8 cents--unless 90 percent of their own parities goes above that figure.

Price support will also be extended to this year's fire-cured crop. The parity price for Virginia fire-cured, type 21, based on August data (and applicable to September) is 41.9 cents per pound. Ninety percent of this is 37.7 cents--1.1 cents below the 1957 support level for type 21. The parity price for Kentucky-Tennessee fire-cured, types 22-23, applicable to September is 41.6 cents a pound. Ninety percent of this is 37.4 cents--1.4 cents below the 1957 support level for types 22-23. It is virtually certain that the support level for this year's crop of the fire-cured types will be 38.8 cents--the same as for the preceding two crops.

The 1958 season average price for the combined fire-cured crop was 37.8 cents per pound--1 cent higher than for the previous crop. Virginia fire-cured averaged 36.9 cents, 5 percent lower than in the preceding season. The average price of Kentucky-Tennessee type 22 at 38.4 cents was up 4 percent. The 1958 crop of Kentucky-Tennessee type 23 averaged a record 37.0 cents, topping the preceding season's average by 6 percent.

Last season, growers placed 6-1/2 million pounds of fire-cured tobacco (about 15 percent of the combined crop) under Government loan. This was a sharp reduction--both in quantity and percentage of the crop--from the previous season. Loan receipts of Virginia fire-cured increased over those in the 1957-58 season, but this was more than offset by the drop in the Kentucky-Tennessee types.

Dark Air-Cured and Sun-cured, Types 35-37

Domestic Use and Exports

Total disappearance of dark air-cured and sun-cured tobacco is estimated at 28 million pounds for the October 1958-September 1959 marketing year--a little higher than in 1957-58. Domestic disappearance, at 20 million pounds, was near that of the preceding year but about a tenth below the 1952-56 average. The main outlet for dark air-cured is in the manufacture of chewing tobacco. In the first 10 months of the 1958-59 marketing year, chewing tobacco production was down slightly from a year earlier.

Exports of these types in 1958-59 (including an allowance for the quantities shipped out in the form of Black Fat) are estimated at about 8 million pounds. This would be 1 million more than in 1957-58, with the increase attributable to larger shipments of One Sucker. In the 10 months, October 1958-July 1959, exports of One Sucker leaf amounted to about 2-1/4 million pounds (farm-sales weight), nearly 4 times as much as a year earlier. A large shipment to Austria accounted for over two-fifths of the total. Most of the remainder went to Belgium, which increased takings nearly 60 percent, and to Portugal, which took approximately 600,000 pounds, compared with roughly

50,000 pounds a year earlier. In the same period, exports of Green River tobacco (type 36) were 30 percent below those a year earlier. Consignments to the United Kingdom and to the Bahamas increased. But none was reported going to Portugal, which took a sizable quantity in 1957-58, and smaller exports than a year earlier went to Belgian Congo and to Belgium.

In recent years, usually around half of all exports of dark air-cured tobacco has been in the form of Black Fat, a semiprocessed product. Exports of Black Fat in October 1958-July 1959 were 9 percent below those in the corresponding months of 1957-58. Shipments to all major markets were down from year-earlier levels. Nigeria, accounting for nearly half of the total, reduced takings by 6 percent, while Ghana, the second ranking market, took 3 percent less. Exports to French West Africa, traditionally the third ranking outlet, dropped nearly a fourth. Less Black Fat than a year earlier also went to Cameroon, Canary Islands and Spanish Africa. Liberia took some Black Fat, in contrast to none in the preceding marketing year.

1959-60 Supplies

October 1, 1959 stocks of dark air-cured and sun-cured are estimated at near 68 million pounds--10 million less than last October and lowest since 1946. The September estimate of the 1959 crop is 23 million pounds--29 percent above the 1958 record small crop. The dark air-cured acreage is indicated to be up 7 percent, while that of Virginia sun-cured is indicated as nearly 70 percent larger. The increased acreages reflect the return to production of land formerly in the Soil Bank acreage reserve. Per acre yields for each of the types 35-37 are indicated to be above last year's, and for Virginia sun-cured, may top the 1958 high.

Total supplies of 1959-60--October 1 stocks plus this year's crop--are estimated at 91 million pounds--about 5 million below 1958-59. It is likely that October 1, 1960 carryover will be reduced from the current level.

By February 1, 1960, the Secretary of Agriculture will announce marketing quotas and acreage allotments for dark air-cured and Virginia sun-cured tobacco. Producers of dark air-cured (types 35-36) approved marketing quotas for their 1958-60 crops in a referendum held February 1958. Growers of Virginia sun-cured (type 37), in a referendum held last February, approved marketing quotas for their 1959-61 crops.

Price Support and Prices

Government price support will be available for the 1960 crop of dark air-cured and sun-cured tobacco, as marketing quotas will continue in effect. Under existing law, price support levels for dark air- and sun-cured are based on 66-2/3 percent of the burley support, but may not exceed their 1957 support level--34.5 cents--unless 90 percent of their own parities goes above that figure.

(Farm-sales weight)

1/ Year beginning October 1. 2/ Subject to revision. 3/ As of applicable date when support level was computed. 4/ Set at 66-2/3 percent of burley support, but since 1957, cannot exceed its 1957 support level unless 90 percent of types 35-36 parity exceeds such level. 5/ Actual loan stocks on a packed-weight basis are somewhat lower than these farm-sales weight figures. 6/ An additional 200,000 pounds under option to British manufacturers were pledged for CCC loans but purchased and shipped by mid-1953. 7/ Based on August data. 8/ Will be 34.5 cents per pound unless, as is very unlikely, 90 percent of the October 1 parity price (based on September data) exceeds this figure. *Estimated.

Table 21.—Sun-cured tobacco, type 37: Domestic supplies, disappearance, season average price, and price support operations for specified periods

[illegible]

1/ Year beginning October 1. 2/ Subject to revision. 3/ As of applicable date when support level was computed. 4/ Set at 66-2/3 percent of burley support, but since 1957, cannot exceed the 1957 support level unless 90 percent of type 37 parity exceeds such level. 5/ Actual loan stocks on a packed-weight basis are somewhat lower than these farm-sales weight figures. 6/ Based on August data. 7/ Will be 34.5 cents per pound or 90 percent of the October 1 parity price (based on September data), whichever is higher. *Estimated.

Price support will also be available for the 1959 crop of dark air-cured and sun-cured to be marketed this fall and winter. The parity price for dark air-cured, types 35-36, based on August data (and applicable to September) was 36.8 cents. Ninety percent of this is 33.1 cents--1.4 cents less than the 1957 support for the dark air-cured types. The parity price for Virginia sun-cured, type 37, applicable to September is 38.0 cents. Ninety percent of this is 34.2 cents per pound--three-tenths of a cent below the 1957 support for Virginia sun-cured. For the dark air-cured types, it is virtually certain, and for Virginia sun-cured, it is probable, that the support level for the 1959 crop will be 34.5 cents--the same as for the 2 preceding crops.

Last season the price of the combined dark air- and sun-cured crop averaged a record high of 38.2 cents per pound--6 percent more than for the 1957 crop. Type 35 brought an average of 39.0 cents--up more than 2 cents from the preceding season. The type 36 average for the 1958 crop, 36.7 cents, was about 2-1/3 cents higher than for the previous crop. Virginia sun-cured sold at an average of 36.8 cents--nearly 3 cents higher than the 1957 crop average.

During the 1958 crop marketing season, growers placed 412,000 pounds of One Sucker (type 35) and 110,000 pounds of Green River (type 36) under Government loan. These were record low quantities, and represented only about 3½ percent and 2½ percent, respectively, of these crops. In the preceding 5 seasons, loan placements of One Sucker averaged a little over 4 million pounds--23 percent of production; those of Green River averaged 2 million pounds--22 percent of production. Loan placements of 1958 Virginia sun-cured were minor as usual, amounting to 29,000 pounds; equal to 1½ percent of the crop.

Cigar, Types 41-62

Disappearance and Exports

Filler: The 1958-59 disappearance of Pennsylvania and Ohio filler types 41-44 is estimated at about 53 million pounds--approximately 3 million larger than in 1957-58 but about the same as 1956-57. The 1958-59 disappearance of Puerto Rican filler may be near 30 million pounds--2½ million above 1957-58 when it was the second lowest in 10 years. Exports of cigar filler were up sharply in 1958-59 but still accounted for only about 2 percent of total disappearance. The 1958-59 exports of cigar filler tobacco are estimated at 1¼ million pounds (farm-sales weight)--7 or 8 times the relatively small 1957-58 figure and the largest in 10 years. A sizable part of the exported filler tobacco was Puerto Rican tobacco. Nearly all of the exported filler went to Viet Nam but small amounts went to France and Switzerland. Domestic use of cigar filler has not increased as much as cigar output. Use of imported filler appears to have increased considerably in the past year.

Binder: The 1958-59 disappearance of Connecticut Valley binder types 51-52 is estimated at about 8¾ million pounds--a drop of more than 7 million from 1957-58 and only about a third as much as the 1951-55 average. The

sharp reduction in recent years is mainly attributable to the substitution of processed sheet binder for natural leaf binders on a large percentage of cigars and practically all cigarillos. Exports of Connecticut Valley binder types dropped sharply in 1958-59 and are the smallest in over 10 years. During October 1958-July 1959, exports to West Germany, the leading outlet, were down 50 percent and shipments to Denmark, Belgium, Netherlands and other outlets showed an even more severe decline.

The 1958-59 disappearance of the Wisconsin binder types 54-55 is estimated at near 23-1/2 million pounds--about 2-1/2 million less than in 1957-58 and almost 1-1/2 million below 1956-57. A substantial part of the Wisconsin tobacco is utilized in scrap chewing tobacco manufacture. Output of scrap chewing tobacco during October 1958-July 1959 (five-sixths of the marketing year) was approximately the same as in the corresponding period of 1957-58. The 1958-59 exports of Wisconsin tobacco are estimated at 2.3 million pounds (farm-sales weight) compared with 2.5 million in 1957-58. Exports to West Germany, the principal outlet, during October 1958-July 1959 were down about 50 percent but this was largely offset by a substantial shipment to East Germany which took none in 1957-58. Swedish takings were down very sharply from those in 1957-58.

Wrapper: The 1958-59 disappearance of shade-grown wrapper types 61-62 was 16.6 million pounds--11.3 million pounds used domestically and 5.3 million pounds exported. The July 1958-June 1959 domestic use fell off slightly despite a substantial increase in cigar and cigarillo output. The increased proportion of cigarillos and smaller-sized large cigars in recent years has tended to hold use of cigar wrapper fairly stable although the number of units being turned out was increasing. The 1958-59 exports barely topped the 1957-58 figure--the previous record high. West Germany took 65 percent of the total wrapper exported in 1958-59, but her takings were slightly below 1957-58. Canada, accounting for about 10 percent of the 1958-59 total, took one-sixth less than in 1957-58. There were fairly substantial increases in wrapper exports to East Germany and Brazil, but less went to Netherlands, Belgium and Canary Islands. About 63 percent of the shade-grown wrapper exports in 1958-59 was Connecticut Valley type 61 and 37 percent was Georgia-Florida type 62.

1959-60 Supplies

Filler: The October 1 carryover of Pennsylvania and Ohio filler is estimated at about 124-1/2 million pounds, fairly close to that of a year ago. The stocks of the Pennsylvania type 41 increased and about offset the decrease which brought the Ohio types 42-44 carryover to a record low. The September estimate of production of the continental filler types is 62 million pounds--a sixth larger than in 1958 and the largest production since 1951. The Pennsylvania type 41 crop is indicated to be 8 percent larger than last year and production of the Ohio types 42-44 is up substantially over last year, when excessive rainfall drastically reduced the crop. Acreage of Pennsylvania filler type 41 is nearly 7 percent above 1958 and 10 percent above 1957; acreage of Ohio filler types 42-44 is a third larger than in 1958 (when adverse weather reduced acreage for harvest) and about a tenth above 1957. Yields per

Table 22.--Cigar filler tobacco, types 41-46: Domestic supplies, disappearance, and season average prices, 1947-59

(Farm-sales weight)							
Year	Production	Stocks October 1	Supply	Disappearance ^{1/}			Average price per pound
				Total	Domestic	Exports	
	Million pounds	Million pounds	Million pounds	Million pounds	Million pounds	Million pounds	Cents
Pennsylvania Seedleaf (type 41)							
1947	52.1	98.5	150.6	50.8	49.3	1.5	30.5
1948	57.4	99.8	157.2	51.2	50.5	.7	26.3
1949	54.2	106.0	160.2	44.4	43.7	.7	26.4
1950	56.0	115.8	171.8	45.6	45.0	.6	26.4
1951	56.2	126.2	182.4	50.0	49.3	.7	19.0
1952	37.9	132.4	170.3	51.2	50.8	.4	25.2
1953	38.2	119.1	157.3	51.6	51.4	.2	27.5
1954	48.8	105.7	154.5	41.5	41.4	.1	27.4
1955	45.7	113.0	158.7	55.0	54.6	.4	24.5
1956	48.4	103.7	152.1	46.8	46.6	.2	24.0
1957	41.2	105.3	146.5	43.0	42.9	.1	20.5
1958	51.0	103.5	154.5	*47.0	*46.3	*.7	28.0
1959 ^{2/}	55.2	*107.5	*162.7				
Ohio, Miami Valley (types 42-44)							
1947	8.4	23.7	32.1	8.2	8.2		31.0
1948	10.9	23.9	34.8	8.9	8.9		23.0
1949	11.2	25.9	37.1	9.1	9.1		25.0
1950	10.5	28.0	38.5	7.3	7.3		18.6
1951	7.3	31.2	38.5	10.0	10.0		24.4
1952	8.8	28.5	37.3	10.0	10.0		25.0
1953	6.6	27.3	33.9	9.8	9.8		18.5
1954	8.0	24.1	32.1	9.2	9.2		22.5
1955	7.5	22.9	30.4	7.2	7.2		21.8
1956	6.3	23.2	29.5	6.4	6.4		22.0
1957	4.6	23.1	27.7	7.2	7.2		22.8
1958	2.4	20.5	22.9	*6.0	*6.0		24.2
1959 ^{2/}	7.0	*16.9	*23.9				
Puerto Rico (type 46)							
1947	26.1	74.0	100.1	32.1	30.6	1.5	27.5
1948	27.0	68.0	95.0	41.8	32.9	8.9	27.0
1949	26.0	53.2	79.2	28.1	25.9	2.2	20.0
1950	25.5	51.1	76.6	28.8	28.5	.3	28.0
1951	28.1	47.8	75.9	34.1	33.8	.3	30.0
1952	34.3	41.8	76.1	28.9	28.6	.3	32.0
1953	34.1	47.2	81.3	32.1	32.0	.1	30.0
1954	34.0	49.2	83.2	23.9	23.8	.1	30.5
1955	30.0	59.3	89.3	31.7	31.6	.1	25.2
1956	24.0	57.6	81.6	31.3	30.9	.4	30.8
1957	26.7	50.3	77.0	27.4	27.3	.1	27.5
1958	25.6	49.6	75.2	*30.0	*29.0	*1.0	*31.5
1959 ^{2/}	^{3/} 26.0	*45.2	*71.2				

^{1/} Year beginning October 1.^{2/} Subject to revision.^{3/} Quota set by Puerto Rico Government.

*Estimated.

Table 23.--Cigar binder tobacco, types 51-52: Domestic supplies, disappearance, and season average prices, 1947-59

(Farm-sales weight)

Year	Production	Stocks October 1	Supply	Disappearance ^{1/}			Average price per pound
				Total	Domestic	Exports	
	Million pounds	Million pounds	Million pounds	Million pounds	Million pounds	Million pounds	Cents
Connecticut Valley Broadleaf (type 51)							
1947	15.0	28.6	43.6	13.3			51.0
1948	14.0	30.3	44.3	17.8	13.5	4.3	60.0
1949	14.1	26.5	40.6	12.9	11.8	1.1	53.0
1950	16.4	27.7	44.1	14.3	13.3	1.0	52.0
1951	14.5	29.8	44.3	14.1	13.2	.9	51.0
1952	14.8	30.2	45.0	14.5	13.8	.7	50.0
1953	14.7	30.5	45.2	13.4	12.7	.7	58.4
1954	13.3	31.8	45.1	11.7	11.5	.2	56.5
1955	12.1	33.4	45.5	14.7	14.3	.4	44.9
1956	7.5	30.8	38.3	12.8	11.3	1.5	59.0
1957	5.1	25.5	30.6	8.4	7.7	.7	50.0
1958	3.4	22.2	25.6	*6.2	*6.0	*.2	54.0
1959 ^{2/}	4.4	*19.4	*23.8				
Connecticut Valley Havana Seed (type 52)							
1947	15.1	16.5	31.6	12.2			73.3
1948	14.6	19.3	33.9	14.1	9.4	4.7	62.3
1949	14.7	19.8	34.5	9.5	7.4	2.1	41.9
1950	15.2	25.0	40.2	12.9	11.2	1.7	39.8
1951	11.2	27.3	38.5	11.0	9.1	1.9	42.6
1952	9.6	27.5	37.1	12.9	11.5	1.4	48.9
1953	12.0	24.2	36.2	11.9	10.8	1.1	54.9
1954	11.9	24.3	36.2	12.9	12.2	.7	44.0
1955	9.9	23.3	33.2	11.6	10.1	1.5	35.0
1956	5.8	21.6	27.4	7.2	5.7	1.5	42.3
1957	3.2	20.2	23.4	7.5	6.3	1.2	44.9
1958	1.8	15.9	17.7	*2.5	*2.0	*.5	49.4
1959 ^{2/}	3.7	*15.2	*18.9				
Total Connecticut Valley (types 51-52)							
1947	30.1	45.1	75.2	25.6			62.2
1948	28.6	49.6	78.2	31.9	22.9	9.0	61.2
1949	28.8	46.3	75.1	22.4	19.2	3.2	47.4
1950	31.6	52.7	84.3	27.2	24.5	2.7	46.1
1951	25.7	57.1	82.8	25.1	22.3	2.8	47.3
1952	24.4	57.7	82.1	27.4	25.3	2.1	49.6
1953	26.7	54.7	81.4	25.3	23.5	1.8	56.8
1954	25.2	56.1	81.3	24.6	23.7	.9	50.6
1955	22.0	56.7	78.7	26.3	24.4	1.9	40.4
1956	13.3	52.4	65.7	20.0	17.0	3.0	51.7
1957	8.3	45.7	54.0	15.9	14.0	1.9	48.2
1958	5.2	38.1	43.3	*8.7	*8.0	*.7	52.4
1959 ^{2/}	8.1	*34.6	*42.7				

^{1/} Year beginning October 1.^{2/} Subject to revision.

* Estimated.

Table 24.--Cigar binder tobacco, types 54-55: Domestic supplies, disappearance, and season average prices, 1947-59

(Farm-sales weight)							
Year	Production	Stocks October 1	Supply	Disappearance ^{1/}			Average price per pound
				Total	Domestic	Exports	
	Million pounds	Million pounds	Million pounds	Million pounds	Million pounds	Million pounds	Cents
Southern Wisconsin (type 54)							
1947	15.8	37.9	53.7	16.5			22.3
1948	11.9	37.2	49.1	9.3	8.9	.4	22.4
1949	12.6	39.8	52.4	12.3	12.3		22.8
1950	13.2	40.1	53.3	13.0	13.0		23.5
1951	10.4	40.3	50.7	16.0	16.0		25.3
1952	8.3	34.7	43.0	9.7	8.1	1.6	19.5
1953	7.2	33.3	40.5	10.0	10.0		24.3
1954	7.5	30.5	38.0	9.0	8.5	.5	24.3
1955	6.7	29.0	35.7	10.3	9.9	.4	22.9
1956	6.8	25.4	32.2	11.2	11.0	.2	26.1
1957	7.7	21.0	28.7	8.7	8.3	.4	31.1
1958	8.8	20.0	28.8	*7.7	*7.4	*.3	34.6
1959 ^{2/}	9.8	*21.1	*30.9				
Northern Wisconsin (type 55)							
1947	21.5	37.6	59.1	22.9			34.9
1948	18.4	36.2	54.6	19.4	17.7	1.7	23.0
1949	18.8	35.2	54.0	13.2	13.0	.2	28.5
1950	18.7	40.8	59.5	16.4	16.3	.1	28.1
1951	12.9	43.1	56.0	15.6	15.5	.1	31.3
1952	13.6	40.4	54.0	18.6	18.4	.2	31.4
1953	12.8	35.4	48.2	16.4	16.1	.3	31.9
1954	15.4	31.8	47.2	16.3	16.1	.2	32.7
1955	14.3	30.9	45.2	13.4	13.1	.3	24.6
1956	13.4	31.8	45.2	13.6	13.4	.2	30.9
1957	12.2	31.6	43.8	17.2	15.1	2.1	33.5
1958	12.9	26.6	39.5	*15.7	*13.7	*2.0	35.2
1959 ^{2/}	15.1	*23.8	*38.9				
Total Wisconsin (types 54-55)							
1947	37.3	75.5	112.8	39.4			29.6
1948	30.3	73.4	103.7	28.7	26.6	2.1	22.7
1949	31.4	75.0	106.4	25.5	25.3	.2	26.2
1950	31.9	80.9	112.8	29.4	29.3	.1	26.2
1951	23.3	83.4	106.7	31.6	31.5	.1	28.6
1952	21.9	75.1	97.0	28.3	26.5	1.8	26.9
1953	20.0	68.7	88.7	26.4	26.1	.3	25.8
1954	22.9	62.3	85.2	25.3	24.6	.7	30.0
1955	21.0	59.9	80.9	23.7	23.0	.7	24.1
1956	20.2	57.2	77.4	24.8	24.4	.4	29.3
1957	19.9	52.6	72.5	25.9	23.4	2.5	32.6
1958	21.7	46.6	68.3	*23.4	*21.1	*2.3	35.0
1959 ^{2/}	24.9	*44.9	*69.8				

^{1/} Year beginning October 1.^{2/} Subject to revision.

* Estimated.

acre in Pennsylvania are indicated to be at a record high average while in Ohio, yields per acre are indicated at more than double the abnormally low 1958 average and equal to the record 1954 average. The 1959-60 total supply--this year's crop plus carryover--is estimated at about 186-1/2 million pounds, 5 percent above 1958-59 and the largest in 4 years.

The Puerto Rican crop of cigar filler type 46 harvested early this year totaled 25.6 million pounds and the quota for the crop to be planted this fall was set at 26 million pounds by the Puerto Rican Government. The estimated carryover on October 1 of about 45 million pounds plus the quota amount would provide a 1959-60 total supply of about 71 million pounds--5 percent below 1958-59 and 8 percent below 1957-58.

Binder: The October 1 carryover of the Connecticut Valley binder types 51-52 is estimated at about 34-1/2 million pounds--9 percent lower than a year ago. Most of the drop was in the Connecticut Valley Broadleaf type 51. The September estimate of production of Connecticut Valley binder tobacco is 8.1 million pounds--56 percent larger than the record low of last year but less than a third as much as 5 years ago. Acreage of Broadleaf is up roughly a third from 1958 and Havana Seed acreage is nearly double the 1958 figure. The 1958 acreages were extremely small and by far, the lowest on record. The average yield per acre for Broadleaf is indicated to be below 1958 and 1957 but above any previous year, while yields of Havana Seed are indicated at a record high average. The 1959-60 total supply of the Connecticut Valley binder types is estimated at near 43 million pounds--only a little below 1958-59.

The October 1 carryover of the Wisconsin binder types 54-55 is estimated at about 45 million pounds--roughly 1-3/4 million below a year ago. An increase is indicated in Southern Wisconsin type 54 but this is more than offset by the drop in Northern Wisconsin type 55 carryover. The September 1 estimate of production of Wisconsin tobacco is 24.9 million pounds--over 3 million greater than the 1958 harvestings. The type 54 crop is indicated to be about a tenth larger than in 1958 and the largest since 1951. The type 55 crop is indicated to be a sixth larger than in 1958 and the largest since 1954. Average yields per acre for both types are indicated to be a little higher than in 1958 and probably the second highest on record. The 1959-60 total supply of Wisconsin binder types is estimated at close to 70 million pounds--about 1-1/2 million above 1958-59 but below any previous year.

Wrapper: The July 1 carryover of shade-grown wrapper at 20.3 million pounds was only slightly lower than a year earlier when it was the highest for the past 7 years. The September estimate of production of the shade-grown wrapper types 61-62 is about 18 million pounds--a tenth larger than last year's and second largest on record. The major part of the increase is in the Georgia-Florida type 62, which is up about a fifth and higher than in any previous year. The Connecticut Valley type 61 crop is indicated to be about 3 percent larger than in 1958. The Georgia-Florida acreage is at a record high and the average yield per acre is indicated to be relatively high. The Connecticut Valley acreage is about 4 percent greater than 1958 but average yield is indicated to be down a little. The 1959-60 total supply of shade-grown wrapper

Table 25.--Cigar wrapper tobacco, types 61-62: Domestic supplies, disappearance, and season average prices, 1947-59

(Farm-sales weight)							
Year	Production	Stocks July 1	Supply	Disappearance ^{1/}			Average price per pound
				Total	Domestic	Exports	
	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Ct.
Connecticut Valley Shade-grown (type 61)							
1947	9.3	10.1	19.4	8.7			310.0
1948	9.8	10.7	20.5	8.4			290.0
1949	11.1	12.1	23.2	9.6			205.0
1950	9.1	13.6	22.7	9.7			205.0
1951	8.2	13.0	21.2	8.3			205.0
1952	8.9	12.9	21.8	10.8			210.0
1953	10.3	11.0	21.3	9.9			205.0
1954	9.9	11.4	21.3	10.2			215.0
1955	8.8	11.1	19.9	9.3			215.0
1956	10.3	10.6	20.9	9.5			190.0
1957	11.8	11.4	23.2	10.1			205.0
1958	10.1	13.1	23.2	10.2			220.0
1959 ^{2/}	10.4	13.0	23.4				
Georgia-Florida Shade-grown (type 62)							
1947	4.2	3.2	7.4	3.6			265.0
1948	5.3	3.8	9.1	4.6			245.0
1949	6.2	4.5	10.7	4.8			195.0
1950	6.4	5.9	12.3	5.4			200.0
1951	6.8	6.9	13.7	5.4			180.0
1952	5.8	8.3	14.1	5.8			180.0
1953	4.5	8.3	12.8	6.0			195.0
1954	6.6	6.8	13.4	6.5			195.0
1955	6.8	6.9	13.7	7.3			185.0
1956	6.8	6.4	13.2	6.1			180.0
1957	7.1	7.1	14.2	6.7			190.0
1958	6.2	7.5	13.7	6.4			180.0
1959 ^{2/}	7.6	7.3	14.9				
Total Shade-grown (types 61-62)							
1947	13.5	13.4	26.9	12.4			296.0
1948	15.1	14.5	29.6	13.0	10.5	2.5	274.0
1949	17.3	16.6	33.9	14.5	10.8	3.7	201.0
1950	15.5	19.4	34.9	14.9	11.3	3.6	203.0
1951	14.9	20.0	34.9	13.7	10.1	3.6	194.0
1952	14.7	21.2	35.9	16.6	12.2	4.4	198.0
1953	14.8	19.3	34.1	15.9	12.2	3.7	202.0
1954	16.4	18.2	34.6	16.6	12.4	4.2	207.0
1955	15.6	18.0	33.6	16.6	11.5	5.1	202.0
1956	17.2	17.0	34.2	15.7	11.2	4.5	186.0
1957	18.9	18.5	37.4	16.8	11.5	5.3	199.0
1958	16.3	20.6	36.9	16.6	11.3	5.3	205.0
1959 ^{2/}	18.0	20.3	38.3				

^{1/} Year beginning July 1.^{2/} Subject to revision.

types 61-62 is 38.3 million pounds--1.4 million pounds above 1958-59 and a record high. The total supply of Connecticut Valley type 61 is less than 1 percent above its previous high but the total supply of Georgia-Florida type 62 is 5 percent above its previous high.

Marketing Quotas and Acreage Allotments

By February 1, 1960, the Secretary of Agriculture will announce 1960 marketing quotas and acreage allotments for (1) Connecticut binder types 51-52, and (2) Ohio filler types 42-44 binder types 53-55. Within 30 days following the announcement, growers will vote in separate referendums whether they desire marketing quotas on their next 3 crops--1960, 1961 and 1962. Approval by at least two-thirds of the growers voting is required if marketing quotas are to be continued in effect on these kinds of tobacco. In the last referendums (held February 13, 1957), growers of the Connecticut Valley types approved quotas for 1957-59 by a 98 percent majority and growers of the Ohio-Wisconsin types approved quotas for 1957-59 by a 94 percent majority.

In a referendum last February, growers of Pennsylvania type 41 rejected quotas on their 1959, 1960 and 1961 crops. Unless growers of this kind of tobacco petition the Secretary of Agriculture for an earlier referendum, another one for type 41 will not be held until early 1962, when growers will vote on whether they wish quotas on their 1962, 1963 and 1964 crops.

For Puerto Rican filler type 46, a Federal marketing quota has not been applied but the Commonwealth Government of Puerto Rico has applied a quota for several years.

The shade-grown cigar wrapper types 61-62 are not subject to marketing quotas under the law.

Price Supports

By existing law Government price support for the cigar filler and binder types under Federal marketing quotas is mandatory at 90 percent of parity. The 1959 price support for these types will be 90 percent of their October 1 parities. For the Connecticut Valley binder types 51-52, the 1959 support level will be considerably lower than in the past few years because a change in the method of computing parity for these types went into effect in January 1959. The sharp expansion in the use of processed sheet binder has changed substantially the price and consumption prospects for these types. A determination was made--pursuant to Section 301(a)(1)(F) of the Agricultural Adjustment Act of 1938 as amended--that the parity price of Connecticut Valley binder types 51-52 was seriously out of line with parity prices of other agricultural commodities.

The parity price for these types based on data for August 1959 is 44.0 cents per pound and 90 percent of this is 39.6 cents; 90 percent of the parity price based on data for September 1959 will be the support level for the 1959 crops of Connecticut Valley binder types 51-52. A year ago, the

Table 26.--Cigar tobacco types: Government price support levels, 1954-59

Type	1954	1955	1956	1957	1958	1959
Ohio cigar filler, types 42-44	25.1	24.7	23.4	23.2	23.4	To be announced in early October
Puerto Rican filler, type 46	32.6	31.9	31.4	32.5	31.2	
Connecticut Valley Broadleaf binder, type 51 ^{1/}	53.8	53.9	52.5	53.8	56.2	
Connecticut Valley Havana Seed binder, type 52	51.5	50.8	49.0	48.8	48.0	
N. Y. and Pa. Havana Seed type 53	25.7	25.0	23.6	23.3	25.5	
Southern Wisconsin binder, type 54	25.1	24.5	22.8	23.3	25.5	
Northern Wisconsin binder, type 55	31.9	32.0	29.6	29.9	31.0	

^{1/} In 1957 and 1958 price supports not made applicable to sorted Broadleaf, type 51, but were applicable on an unsorted basis and at less than averages shown.

Table 27.--Cigar tobacco price support operations, quantities placed under loan, 1950-58, and remaining under loan Aug. 31, 1959

Crop year	Ohio types 42-44	Puerto Rican, type 46	Conn. Valley, type 51	Conn. Valley, type 52	So. Wis., type 54	No. Wis., type 55	Total
	Million pounds	Million pounds	Million pounds	Million pounds	Million pounds	Million pounds	Million pounds
1950	2.6	.3	.1	3.7	1.4	.6	^{1/} 11.5
1951	.6	1.1	1.7	2.7	4.8	.1	^{1/} 11.0
1952	^{2/}	1.4	^{2/}	^{2/}	^{2/}	^{2/}	1.4
1953	2.7	1.4	^{3/}	1.8	2.4	1.9	^{1/} 10.3
1954	1.2	5.1	.8	3.4	1.3	.9	12.7
1955	.8	2.8	7.8	5.2	.4	3.1	20.1
1956	.4	1.5	1.7	1.6	.1	.9	6.2
1957	.1	1.5	2.5	.4	---	.3	4.8
1958	0	1.7	.3	.1	0	.1	2.2
Total	8.4	16.8	14.9	18.9	10.4	7.9	^{1/} 80.2
Remaining as of August 31, 1959	0	0	6.6	5.5	0	.9	13.0

^{1/} Includes 2.8 million pounds of 1950 crop Pennsylvania Seedleaf (type 41) and negligible amounts from the 1950, 1951, and 1953 crops of New York and Pennsylvania Havana seed (type 53).

^{2/} Price support not in effect because marketing quotas were disapproved by growers.

^{3/} Less than 50,000 pounds.

computed parity for these types was 58.3 cents per pound and 90 percent of this--52.5 cents--was the basis for price support for the 1958 crop.

For the Ohio filler-Wisconsin binder types, the parity price based on data for August 1959 was 31.8 cents and 90 percent of this is 28.6 cents; 90 percent of the parity price based on data for September 1959 will be the support level for these types. The August 1959 parity price for these types is 3 percent higher than the figure computed last September, 90 percent of which was the basis for price support for the 1958 crops of these types.

For Puerto Rican filler type 46, which is not under a Federal marketing quota, the 1959 support level (applicable to the crop planted late this year and marketed during the first half of 1960) is dependent upon its supply relationship. The 1959 support level will be computed as a percentage of its parity price based on September 1959 data. The effective parity for Puerto Rican filler type 46 based on August data was 33.0 cents per pound. The effective parity price computed in September 1958 was 34.7 cents per pound and the price support applicable to the 1958 Puerto Rican crop sold earlier this year was 31.2 cents per pound.

Table 28.—Tobacco: Percentage distribution of farms and allotted tobacco acreage according to selected sizes of allotments, by kind, 1959

Kind of tobacco	: 1 acre : : or less: 1 acre :		: Total : : or less: 3 acres:		: Over : : 6 acres: 6 acres:		: Total : : or less: 6 acres:		: Over : : 6 acres: 6 acres:		: Total : : or less: 6 acres:	
	Pct.	Pct.	Pct.	Pct.	Pct.	Pct.	Pct.	Pct.	Pct.	Pct.	Pct.	Pct.
Farms having allotments in specified size-of-allotment groups												
Flue-cured	18.1	81.9	100.0	62.2	37.8	100.0	87.5	12.5	100.0			
Burley	73.4	26.6	100.0	95.0	5.0	100.0	98.7	1.3	100.0			
Maryland	15.7	84.3	100.0	36.0	64.0	100.0	57.1	42.9	100.0			
Va. fire-cured	55.3	44.7	100.0	93.5	6.5	100.0	99.1	.9	100.0			
Ky.-Tenn.												
fire-cured	32.7	67.3	100.0	85.7	14.3	100.0	97.3	2.7	100.0			
Va. sun-cured	39.2	60.8	100.0	82.5	17.5	100.0	97.7	2.3	100.0			
Dark air-cured	83.1	16.9	100.0	98.7	1.3	100.0	99.9	.1	100.0			
Types 42-44, 53	15.0	85.0	100.0	48.4	51.6	100.0	89.3	10.7	100.0			
Conn. Val. binder:	9.8	90.2	100.0	45.6	54.4	100.0	76.2	23.8	100.0			
Wis. binder	19.4	80.6	100.0	60.3	39.7	100.0	92.3	7.7	100.0			
Total	50.7	49.3	100.0	81.6	18.4	100.0	94.1	5.9	100.0			
Acreage allotted to specified size-of-allotment groups												
Flue-cured	2.7	97.3	100.0	27.7	72.3	100.0	58.0	42.0	100.0			
Burley	38.5	61.5	100.0	72.9	27.1	100.0	87.5	12.5	100.0			
Maryland	1.1	98.9	100.0	6.9	93.1	100.0	20.1	79.9	100.0			
Va. fire-cured	23.9	76.1	100.0	75.6	24.4	100.0	93.2	6.8	100.0			
Ky.-Tenn.												
fire-cured	9.6	90.4	100.0	61.1	38.9	100.0	86.1	13.9	100.0			
Va. sun-cured	12.3	87.7	100.0	56.3	43.7	100.0	89.9	10.1	100.0			
Dark air-cured	53.6	46.4	100.0	90.3	9.7	100.0	97.7	2.3	100.0			
Types 42-44, 53	2.4	97.6	100.0	22.9	77.1	100.0	74.8	25.2	100.0			
Conn. Val. binder:	1.3	98.7	100.0	15.5	84.5	100.0	41.6	58.4	100.0			
Wis. binder	3.7	96.3	100.0	32.5	67.5	100.0	78.8	21.2	100.0			
Total	13.2	86.8	100.0	40.9	59.1	100.0	66.2	33.8	100.0			

Table 29.--Tobacco: Farms and allotted tobacco acreage by size-of-allotment groups and percentage distribution, by kind, 1959

Size of allotment (acres)	Percentage distribution					Percentage distribution				
	Farms with allot- ments	Average size of allot- ment	Total acreage allotted	Farms		Farms with allot- ments	Average size of allot- ment	Total acreage allotted	Farms	
				Farms	Allotted acreage				Farms	Allotted acreage
	Num- ber	Acres	Acres	Per- cent	Per- cent	Num- ber	Acres	Acres	Per- cent	Per- cent
Flue-cured, types 11-14						Burley, type 31				
.01- .50:	18,497	0.26	4,855	8.9	0.7	85,888	0.32	27,864	28.2	9.0
.51- 1.00:	19,059	.76	14,445	9.2	2.0	137,360	.66	91,137	45.2	29.5
1.01- 2.00:	52,496	1.51	79,156	25.2	11.1	49,047	1.38	67,640	16.2	21.8
2.01- 3.00:	39,225	2.50	98,179	18.9	13.9	16,284	2.39	38,865	5.4	12.6
3.01- 4.00:	26,064	3.43	89,326	12.6	12.5	6,097	3.46	21,099	2.0	6.8
4.01- 5.00:	16,110	4.44	71,501	7.8	10.0	3,230	4.45	14,385	1.1	4.7
5.01- 6.00:	10,118	5.51	55,724	4.9	7.8	1,779	5.47	9,728	.6	3.1
6.01- 7.00:	6,150	6.48	39,880	3.0	5.6	1,090	6.48	7,061	.4	2.3
7.01- 8.00:	4,411	7.47	32,946	2.1	4.6	630	7.48	4,710	.2	1.5
8.01- 9.00:	3,195	8.48	27,106	1.5	3.8	460	8.43	3,878	.2	1.3
9.01- 10.00:	2,255	9.47	21,365	1.1	3.0	299	9.50	2,840	.1	.9
10.01- 20.00:	7,710	13.32	102,698	3.7	14.5	980	13.27	13,001	.3	4.2
20.01- 50.00:	1,976	28.24	55,808	1.0	7.8	202	28.87	5,832	.1	1.9
50.01-100.00:	215	64.03	13,766	.1	1.9	12	65.64	788	*	.3
Over 100.00:	41	141.66	5,808	*	.8	3	113.95	342	*	.1
All	207,522	3.43	712,563	100.0	100.0	303,361	1.02	309,170	100.0	100.0
Fire-cured, type 21						Fire-cured, types 22-23				
.01- .50:	1,925	0.30	587	26.2	6.5	2,644	0.28	729	14.9	2.2
.51- 1.00:	2,137	.74	1,582	29.1	17.4	3,155	.77	2,428	17.8	7.4
1.01- 2.00:	2,068	1.43	2,950	28.2	32.4	6,030	1.45	8,768	34.2	26.9
2.01- 3.00:	738	2.38	1,759	10.0	19.3	3,336	2.41	8,040	18.8	24.6
3.01- 4.00:	248	3.40	843	3.4	9.3	1,221	3.44	4,204	6.9	12.9
4.01- 5.00:	106	4.44	471	1.5	5.2	565	4.38	2,476	3.2	7.6
5.01- 6.00:	52	5.39	280	.7	3.1	270	5.47	1,477	1.5	4.5
6.01- 7.00:	34	6.44	219	.5	2.4	165	6.44	1,063	.9	3.3
7.01- 8.00:	11	7.51	83	.1	.9	103	7.61	784	.6	2.4
8.01- 9.00:	10	9.06	91	.1	1.0	63	8.50	536	.4	1.6
9.01- 10.00:	5	9.64	48	.1	.5	41	9.48	389	.2	1.2
10.01- 20.00:	11	12.51	138	.1	1.5	91	13.35	1,215	.5	3.7
20.01- 50.00:	2	22.44	45	*	.5	16	30.39	486	.1	1.5
50.01-100.00:	0	0	0	0	0	1	69.86	70	*	.2
Over 100.00:	0	0	0	0	0	0	0	0	0	0
All	7,347	1.24	9,096	100.0	100.0	17,701	1.85	32,665	100.0	100.0

See footnotes at end of table, page 63.

Continued -

Table 29.--Tobacco: Farms and allotted tobacco acreage by size-of-allotment groups and percentage distribution, by kind, 1959 - Continued

Size of allotment (acres)	Percentage distribution					Percentage distribution				
	Farms with allot- ments	Average size of allot- ment	Total acreage allotted	Farms : Allotted : acreage		Farms with allot- ments	Average size of allot- ment	Total acreage allotted	Farms : Allotted : acreage	
	Num- ber	Acres	Acres	Per- cent	Per- cent	Num- ber	Acres	Acres	Per- cent	Per- cent
Dark air-cured, types 35-36						Sun-cured, type 37				
.01- .50:	14,096	0.28	3,988	57.6	25.2	439	0.28	124	19.1	3.0
.51- 1.00:	6,267	.72	4,486	25.5	28.4	461	.84	388	20.1	9.3
1.01- 2.00:	3,230	1.34	4,334	13.2	27.5	710	1.54	1,090	30.9	26.3
2.01- 3.00:	599	2.42	1,447	2.4	9.2	286	2.57	736	12.4	17.7
3.01- 4.00:	195	3.36	654	.8	4.2	205	3.56	730	8.9	17.5
4.01- 5.00:	74	4.38	324	.3	2.1	98	4.55	446	4.3	10.7
5.01- 6.00:	31	5.44	169	.1	1.1	46	4.90	225	2.0	5.4
6.01- 7.00:	17	6.40	109	.1	.7	23	6.41	147	1.0	3.5
7.01- 8.00:	11	7.34	81	*	.5	14	7.51	105	.6	2.5
8.01- 9.00:	5	8.54	43	*	.3	8	8.38	67	.3	1.6
9.01- 10.00:	2	9.58	19	*	.1	3	9.44	28	.1	.7
10.01- 20.00:	5	13.52	67	*	.4	6	12.32	74	.3	1.8
20.01- 50.00:	1	44.31	44	*	.3	0	0	0	0	0
50.01-100.00:	0	0	0	0	0	0	0	0	0	0
Over 100.00:	0	0	0	0	0	0	0	0	0	0
All	24,533	.64	15,765	100.0	100.0	2,299	1.81	4,160	100.0	100.0
Maryland, type 32 1/						Filler-binder, types 42-44, 53				
.01- .50:	561	0.28	155	8.1	0.3	127	0.31	40	7.6	0.7
.51- 1.00:	526	.76	398	7.6	.8	123	.79	97	7.4	1.7
1.01- 2.00:	764	1.49	1,137	11.0	2.4	255	1.52	388	15.3	6.8
2.01- 3.00:	649	2.52	1,633	9.3	3.4	302	2.57	777	18.1	13.7
3.01- 4.00:	615	3.49	2,146	8.8	4.4	306	3.55	1,085	18.2	19.2
4.01- 5.00:	458	4.51	2,064	6.6	4.3	239	4.51	1,077	14.3	19.0
5.01- 6.00:	399	5.50	2,195	5.7	4.5	141	5.54	782	8.4	13.7
6.01- 7.00:	400	6.52	2,606	5.8	5.4	70	6.55	458	4.2	8.1
7.01- 8.00:	351	7.48	2,624	5.0	5.4	50	7.54	377	3.0	6.6
8.01- 9.00:	311	8.64	2,688	4.5	5.6	18	8.50	153	1.1	2.7
9.01- 10.00:	263	9.46	2,488	3.8	5.2	11	9.48	104	.7	1.8
10.01- 20.00:	1,326	13.73	18,200	19.0	37.7	26	12.12	315	1.6	5.5
20.01- 50.00:	311	27.37	8,512	4.5	17.6	1	30.10	30	.1	.5
50.01-100.00:	19	61.87	1,176	.3	2.4	0	0	0	0	0
Over 100.00:	2	138.51	277	*	.6	0	0	0	0	0
All	6,955	6.94	48,299	100.0	100.0	1,669	3.41	5,683	100.0	100.0

See footnotes at end of table, page 63.

Continued -

Table 29.--Tobacco: Farms and allotted tobacco acreage by size-of-allotment groups and percentage distribution, by kind, 1959 - Continued

Size of allotment (acres)	Percentage distribution						Percentage distribution					
	Farms with allot- ments	Average size of allot- ment	Total acreage allotted				Farms with allot- ments	Average size of allot- ment	Total acreage allotted			
				Farms	Allotted acreage					Farms	Allotted acreage	
	Num- ber	Acres	Acres	Per- cent	Per- cent		Num- ber	Acres	Acres	Per- cent	Per- cent	
Connecticut Valley binder, types 51-52						Wisconsin binder, types 54-55						
.01- .50:	51	0.34	17	2.2	0.1	740	0.28	207	8.8	0.8		
.51- 1.00:	178	.76	136	7.6	1.2	884	.80	710	10.6	2.9		
1.01- 2.00:	428	1.52	652	18.3	5.5	1,680	1.56	2,621	20.1	10.7		
2.01- 3.00:	409	2.50	1,024	17.5	8.7	1,747	2.55	4,449	20.8	18.1		
3.01- 4.00:	290	3.46	1,003	12.4	8.5	1,304	3.55	4,625	15.6	18.8		
4.01- 5.00:	245	4.51	1,105	10.5	9.3	849	4.52	3,841	10.1	15.6		
5.01- 6.00:	181	5.42	980	7.7	8.3	530	5.53	2,930	6.3	11.9		
6.01- 7.00:	119	6.51	775	5.1	6.6	281	6.49	1,823	3.4	7.4		
7.01- 8.00:	96	7.55	724	4.1	6.1	157	7.55	1,185	1.9	4.8		
8.01- 9.00:	57	8.73	498	2.4	4.2	72	8.48	611	.9	2.5		
9.01- 10.00:	50	9.32	466	2.1	3.9	36	9.51	342	.4	1.4		
10.01- 20.00:	180	13.45	2,420	7.7	20.5	86	12.36	1,063	1.0	4.3		
20.01- 50.00:	47	28.58	1,343	2.0	11.4	8	23.23	186	.1	.8		
50.01-100.00:	6	60.12	361	.3	3.1	0	0	0	0	0		
Over 100.00:	2	154.80	310	.1	2.6	0	0	0	0	0		
All	2,339	5.05	11,814	100.0	100.0	8,374	2.94	24,593	100.0	100.0		
All tobacco with allotments												
.01- .50:	124,968	0.31	38,567	21.5	3.3							
.51- 1.00:	170,150	.68	115,806	29.3	9.9							
1.01- 2.00:	116,708	1.45	168,735	20.0	14.3							
2.01- 3.00:	63,575	2.47	156,909	10.9	13.4							
3.01- 4.00:	36,545	3.44	125,717	6.4	10.7							
4.01- 5.00:	21,974	4.45	97,689	3.8	8.3							
5.01- 6.00:	13,547	5.50	74,489	2.3	6.3							
6.01- 7.00:	8,349	6.48	54,142	1.4	4.6							
7.01- 8.00:	5,834	7.48	43,619	1.0	3.7							
8.01- 9.00:	4,199	8.49	35,670	.7	3.0							
9.01- 10.00:	2,965	9.47	28,091	.5	2.4							
10.01- 20.00:	10,421	13.36	139,190	1.8	11.9							
20.01- 50.00:	2,564	28.19	72,287	.4	6.2							
50.01-100.00:	253	63.87	16,160	*	1.4							
Over 100.00:	48	140.34	6,736	*	.6							
All	582,100	2.02	1,173,807	100.0	100.0							

*Less than one-tenth of one percent.

1/ Marketing quota not approved for 1959 crop, thus allotments are not in effect.

Basic data from Commodity Stabilization Service, Tobacco Division.

Table 30.--Tobacco: Acreage in the United States, by types, for specified periods with percentages

Period	Flue-cured 11-14	Fire-cured 21-24 1/	Burley 31	Maryland 32	Dark air-cured and sun- cured 35-37	Cigar			United States
						Filler 41-45 1/	Binder 51-56 1/	Wrap- per 61-62	
	1,000 acres	1,000 acres	1,000 acres	1,000 acres	1,000 acres	1,000 acres	1,000 acres	1,000 acres	1,000 acres
Averages									
1924-28	893.7	224.4	322.2	31.2	85.9	68.1	64.0	9.6	1,700.3
1929-33	949.5	204.3	460.9	36.1	64.5	65.3	56.3	9.0	1,847.3
1934-38	863.2	135.2	347.2	36.7	42.0	38.7	29.2	8.9	1,501.3
1939-43	872.8	90.1	375.4	38.4	38.6	45.2	39.2	10.2	1,510.3
1944	1,017.3	64.7	496.6	45.0	40.2	37.9	37.3	10.5	1,749.9
1945	1,078.7	61.3	512.3	35.0	44.1	36.0	41.8	11.2	1,820.7
1946	1,188.8	91.6	489.0	50.0	40.8	39.0	48.8	12.5	1,960.8
1974	1,161.2	83.8	420.5	47.5	35.3	42.7	46.4	13.6	1,851.6
1948	883.8	62.6	432.0	46.6	29.9	43.6	39.7	15.1	1,553.6
1949	935.4	60.7	447.4	50.0	31.9	42.4	39.5	15.6	1,623.2
1950	958.4	52.9	408.3	50.0	28.7	45.1	41.5	13.7	1,599.0
1951	1,110.1	49.0	456.1	53.0	26.5	39.8	31.4	13.6	1,779.9
1952	1,111.3	47.4	463.5	50.0	26.3	29.4	30.4	13.1	1,771.8
1953	1,021.8	48.3	419.7	45.0	26.0	30.5	29.0	12.3	1,632.9
1954	1,042.2	52.0	420.9	50.0	25.9	33.8	29.4	13.0	1,667.5
1955	990.7	48.2	310.6	47.0	24.2	33.9	27.7	12.9	1,495.4
1956	875.3	47.0	309.8	43.7	22.4	34.0	19.1	13.3	1,364.9
1957	662.7	36.6	306.6	37.0	17.1	32.6	15.9	13.1	1,121.8
1958	639.4	31.1	297.1	34.0	14.3	33.0	15.8	12.7	1,077.6
1959 <u>2/</u>	697.7	36.1	300.9	37.0	16.3	36.0	18.8	13.6	1,156.6
Percentage change									
	Per- cent	Per- cent	Per- cent	Per- cent	Per- cent	Per- cent	Per- cent	Per- cent	Per- cent
Average									
1947-49									
to 1959	-29.8	-47.7	-30.6	-22.9	-49.7	-16.1	-55.1	-8.1	-31.0
1958 to									
1959	9.1	16.1	1.3	8.8	14.0	9.1	19.0	7.1	7.3

1/ Types 45, 56, and 24 ended in 1939, 1948, and 1949, respectively.

2/ Subject to revision.

Table 31.--Tobacco: Yield per acre in the United States, by types, for specified periods with percentages

Period	Flue-cured	Fire-cured	Burley	Maryland	Dark air- and sun-cured	Cigar			All types
	11-14	21-24 1/	31	32	35-37	Tiller 41-45 1/	Binder 51-56 1/	Wrapper 61-62	
	Lb.	Lb.	Lb.	Lb.	Lb.	Lb.	Lb.	Lb.	Lb.
Average:									
1924-28:	676	767	807	781	784	1,340	1,256	1,041	765
1929-33:	707	777	777	683	803	1,035	1,350	1,039	770
1934-38:	856	811	819	749	837	1,266	1,465	954	865
1939-43:	963	923	985	755	958	1,323	1,526	982	986
1944	1,069	1,022	1,189	850	1,116	1,440	1,548	1,075	1,115
1945	1,088	951	1,127	525	988	1,261	1,518	1,001	1,094
1946	1,137	1,189	1,256	925	1,215	1,469	1,519	1,000	1,181
1947	1,135	1,031	1,153	795	1,054	1,419	1,495	992	1,138
1948	1,233	1,170	1,396	750	1,165	1,566	1,524	998	1,274
1949	1,191	1,189	1,253	825	1,133	1,542	1,561	1,108	1,213
1950	1,312	1,102	1,222	800	998	1,474	1,548	1,130	1,269
1951	1,309	1,215	1,355	785	1,197	1,594	1,571	1,098	1,310
1952	1,229	1,228	1,403	805	1,286	1,590	1,532	1,124	1,273
1953	1,245	1,013	1,345	900	1,022	1,468	1,618	1,203	1,261
1954	1,261	1,197	1,586	875	1,317	1,681	1,642	1,264	1,346
1955	1,497	1,353	1,513	670	1,284	1,569	1,555	1,213	1,466
1956	1,625	1,501	1,635	840	1,514	1,665	1,763	1,290	1,596
1957	1,471	1,380	1,592	1,040	1,316	1,403	1,766	1,442	1,486
1958	1,690	1,391	1,567	925	1,258	1,619	1,715	1,286	1,611
1959 ^{2/}	1,628	1,499	1,658	875	1,422	1,728	1,756	1,320	1,606
Percentage change									
	Pct.	Pct.	Pct.	Pct.	Pct.	Pct.	Pct.	Pct.	Pct.
Average									
1947-49:									
to 1959:	37.3	32.7	30.9	10.8	27.3	14.5	15.0	27.8	32.9
1958 to									
1959	-3.7	7.8	5.8	-5.4	13.0	6.7	2.4	2.6	-.3

^{1/} Types 45, 56, and 24 ended in 1939, 1948, and 1949, respectively.

^{2/} Subject to revision.

Table 32.--Tobacco leaf represented in stocks of tobacco sheet on specified dates 1/

(Reported weight)					
	1958		1959		
	July 1	October 1	January 1	April 1	July 1
	Thousand pounds	Thousand pounds	Thousand pounds	Thousand pounds	Thousand pounds
Flue-cured (types 11-14)					
Stemmed	846	651	622	517	688
Burley (type 31)					
Stemmed	508	417	365	322	446
Total for cigarettes <u>2/</u>					
Stemmed	1,354	3/1,070	3/989	3/840	3/1,138
Maryland (type 32)					
Stemmed	7	19	57	53	32
Unstemmed	27	0	0	0	0
Sub total	34	19	57	53	32
Pennsylvania (type 41)					
Stemmed	97	63	213	230	191
Unstemmed	365	160	151	155	224
Sub total	462	223	364	385	415
Connecticut Valley (type 51)					
Stemmed	222	214	345	405	372
Unstemmed	228	271	325	435	378
Sub total	450	485	670	840	750
Connecticut Valley (type 52)					
Stemmed	0	0	23	15	0
Unstemmed	282	249	356	428	477
Sub total	282	249	379	443	477
Northern Wisconsin (type 55)					
Stemmed	0	24	60	45	10
Unstemmed	69	115	16	32	109
Sub total	69	139	76	77	119
Connecticut Valley (type 61)					
Stemmed	21	135	231	286	314
Unstemmed	138	69	40	30	45
Sub total	159	204	271	316	359
Total for Cigars <u>4/</u>					
Stemmed	353	493	982	1,099	960
Unstemmed	1,145	869	908	1,089	1,251
Sub total	1,498	1,362	1,890	2,188	2,211
Grand total for all types	2,852	2,432	2,879	3,028	3,349

1/ Does not include tobacco stems added in manufacturing process.

2/ Including smoking tobacco.

3/ Includes very small quantity of Maryland (type 32).

4/ For each date includes small quantities of Ohio (types 42-44), Puerto Rican (type 46), Cuban (type 81) and for some dates small quantities of Southern Wisconsin (type 54), Georgia-Florida (type 62) and Philippine Islands (type 83).

Table 33.--Federal and State tax revenues from tobacco products for specified periods

Fiscal year	Federal					State	Total Federal and State
	Ciga- rettes 1/	Cigars 2/	Chewing and smoking	Snuff	Total 3/	All tobacco products 4/	
	Mil. dol.	Mil. dol.	Mil. dol.	Mil. dol.	Mil. dol.	Mil. dol.	
Average:							
1925-29	281	31	65	7	385	n.a.	n.a.
1930-34	343	16	57	7	424	19	443
1935-39	457	13	55	7	532	50	582
1940-44	719	19	51	7	800	127	927
1945	837	37	50	8	932	145	1,077
1946	1,073	41	42	7	1,166	198	1,364
1947	1,145	48	37	7	1,238	245	1,483
1948	1,208	47	37	7	1,300	337	1,637
1949	1,233	46	35	7	1,322	388	1,710
1950	1,243	42	35	7	1,328	414	1,742
1951	1,294	44	34	7	1,380	430	1,810
1952	1,474	45	23	5	1,565	449	2,014
1953	1,587	46	17	4	1,655	469	2,124
1954	1,514	46	16	4	1,580	464	2,044
1955	1,504	46	16	4	1,571	459	2,030
1956	1,549	45	15	4	1,613	515	2,128
1957	1,611	45	14	4	1,674	556	2,230
1958	1,668	47	14	3	1,734	616	2,350
1959	1,738	51	14	3	1,807	5/679	2,486

1/ Includes large cigarettes.

2/ Includes small cigars.

3/ Includes leaf dealer penalties, floor taxes, cigarette papers and tubes, etc.

4/ Cigarette taxes have probably accounted for around 98 percent of State tobacco tax revenues.

5/ Preliminary.

n. a.--Not available.

Compiled from reports of the Internal Revenue Service and the Bureau of the Census.

Table 34.--Tobacco manufactures: Net sales, net income, and profit ratios, annual 1947-58, by quarters 1957-59

Year and quarter	Net sales	Net income		Profit			
		Before Federal tax	After Federal tax	Per dollar of sales		As percentage of stockholders equity (annual basis)	
				Before	After	Before	After
				Federal tax	Federal tax	Federal tax	Federal tax
	Million dollars	Million dollars	Million dollars	Cents	Cents	Percent	Percent
1947	2,641	178	109	6.7	4.1	16.6	10.1
1948	3,081	257	159	8.3	5.2	22.0	13.7
1949	3,061	250	156	8.2	5.1	20.2	12.6
1950	3,129	281	152	9.0	4.9	21.3	11.5
1951	3,378	295	129	8.7	3.8	21.7	9.5
1952	3,702	285	120	7.7	3.2	19.8	8.4
1953	3,768	338	138	9.0	3.7	22.9	9.4
1954	3,672	329	156	9.0	4.2	21.5	10.2
1955	3,796	388	183	10.2	4.8	24.2	11.4
1956	3,959	413	197	10.4	5.0	24.6	11.7
1957	4,262	459	220	10.8	5.2	26.0	12.5
1958	4,649	521	249	11.2	5.4	28.2	13.5
1957							
1	936	90	44	9.6	4.7	21.0	10.3
2	1,066	111	52	10.4	4.9	25.4	11.9
3	1,119	131	62	11.7	5.5	29.3	13.9
4	1,141	127	62	11.1	5.4	28.3	13.8
1958							
1	1,036	111	53	10.7	5.1	24.6	11.8
2	1,172	129	61	11.0	5.2	28.2	13.3
3	1,225	140	67	11.4	5.5	30.3	14.5
4	1,216	141	68	11.6	5.6	29.7	14.3
1959							
1	1,114	121	58	10.9	5.2	25.1	12.0
2							
3							
4							

Note: The 1947-50 data lack strict comparability with the series beginning 1951.

Compiled and adapted from Quarterly Financial Report for Manufacturing Corporations, Federal Trade Commission--Securities and Exchange Commission.

STATISTICAL SUMMARY

Item	Unit or base period	1958		1959			Last data as percentage of a year earlier
		July	August	June	July	August	
Average price at auctions							
Flue-cured	Ct. per lb.	56.9	58.3	Closed	59.2	59.8	103
Burley	Ct. per lb.	C - 1 - o - s - e - d		C - 1 - o - s - e - d			---
Maryland	Ct. per lb.	40.3	Closed	64.5	58.0	Closed	144
Virginia fire-cured	Ct. per lb.	C - 1 - o - s - e - d		C - 1 - o - s - e - d			---
Ky.-Tenn. fire-cured	Ct. per lb.	C - 1 - o - s - e - d		C - 1 - o - s - e - d			---
Ky.-Tenn. dark air-cured	Ct. per lb.	C - 1 - o - s - e - d		C - 1 - o - s - e - d			---
Virginia sun-cured	Ct. per lb.	C - 1 - o - s - e - d		C - 1 - o - s - e - d			---
Parity prices 1/							
Flue-cured	Ct. per lb.	60.7	60.5	61.7	61.7	61.5	102
Burley	Ct. per lb.	61.6	61.4	63.8	63.8	63.6	104
Maryland	Ct. per lb.	56.4	56.2	56.6	56.6	56.4	100
Virginia fire-cured	Ct. per lb.	41.8	41.6	42.0	42.0	41.9	101
Ky.-Tenn. fire-cured	Ct. per lb.	41.2	41.0	41.7	41.7	41.6	101
Ky.-Tenn. dark air-cured	Ct. per lb.	36.0	35.9	37.0	37.0	36.8	103
Virginia sun-cured	Ct. per lb.	37.5	37.4	38.1	38.1	38.0	102
Pa. cigar filler	Ct. per lb.	28.9	28.8	29.0	29.0	28.9	100
Conn. Valley cigar binder	Ct. per lb.	58.3	58.1	44.1	44.1	44.0	76
Wis. binder and Ohio filler	Ct. per lb.	30.8	30.7	31.9	31.9	31.8	104
Puerto Rican filler	Ct. per lb.	34.7	34.7	33.0	33.0	33.0	95
Parity index 2/	1910-14=100	293	293	298	298	297	101
Industrial production index 3/	1947-49=100	134	136	155	153	149	110
Employment	Mil.	65.2	65.4	67.3	67.6	67.2	103
Personal income 4/	Bil. dol.	363.5	362.4	383.8	384.0	381.4	105
		1958		1959			
		June	July	May	June	July	
Tax-paid removals							
Cigarettes	Bil.	38.6	36.8	37.3	37.8	39.9	108
Cigars	Mil.	502.9	511.6	618.1	650.0	514.7	101
Smoking tobacco	Mil. lb.	6.1	5.7	5.9	6.3	5.5	96
Chewing tobacco	Mil. lb.	5.8	5.7	5.4	6.0	5.7	100
Snuff	Mil. lb.	3.0	2.3	2.8	2.9	1.9	83
Accumulated from Jan. 1							
Cigarettes	Bil.	212	249	182	220	260	104
Cigars	Mil.	2,813	3,325	2,551	3,201	3,716	112
Smoking tobacco	Mil. lb.	37	43	30	36	42	98
Chewing tobacco	Mil. lb.	34	40	27	33	39	98
Snuff	Mil. lb.	17	20	14	17	19	95
Tax-free removals							
Cigarettes	Bil.	2.7	2.8	3.0	3.2	3.5	125
Exports	Bil.	1.6	1.4	1.6	1.6	1.9	136
Cigars	Mil.	7.7	8.1	9.0	11.7	7.9	98
Smoking tobacco	Mil. lb.	.2	.1	.1	.2	.1	100
Chewing tobacco	Mil. lb.	.1	.1	.1	.1	.1	100
Accumulated from Jan. 1							
Cigarettes	Bil.	16.2	19.0	14.3	17.5	21.0	111
Exports	Bil.	8.7	10.1	7.5	9.1	11.0	109
Cigars	Mil.	38.8	46.9	40.9	52.5	60.4	129
Smoking tobacco	Mil. lb.	1.1	1.2	.7	.9	1.0	83
Chewing tobacco	Mil. lb.	.7	.8	.5	.6	.7	88
Wholesale price indexes 5/							
Cigarettes (reg. nonfilter)	1947-49=100	134.8			134.8		100
Cigars	1947-49=100	106.6			106.6		100
Smoking tobacco	1947-49=100	147.2			160.8		109
Plug chewing tobacco	1947-49=100	121.2			142.4		117
Snuff	1947-49=100	148.5			148.5		100
Consumer price indexes (urban) 6/							
Cigarettes (reg. nonfilter)	1947-49=100	133.9			139.3		104
Cigars	1947-49=100	109.7			109.3		100
Imports of tobacco							
Cigarette leaf	Mil. lb.	8.1	11.2	10.0	9.2	10.2	91
Cigar tobacco 7/	Mil. lb.	2.5	4.2	3.8	4.0	3.7	88
Accumulated from Jan. 1							
Cigarette leaf	Mil. lb.	48.6	59.8	45.2	54.3	64.5	108
Cigar tobacco 7/	Mil. lb.	15.5	19.7	20.2	24.3	27.9	142

See footnotes at end of Statistical Summary.

Continued -

STATISTICAL SUMMARY--CONTINUED

SEPTEMBER 1959

Item	Unit or base period	1958		1959		Last data as percentage of a year earlier	
		June	July	May	June	July	
Exports of leaf tobacco							
(farm-sales weight)							
Flue-cured	Mil. lb.	28.6	33.1	22.5	22.8	18.5	56
Burley	Mil. lb.	3.0	2.0	1.2	2.2	3.7	185
Maryland	Mil. lb.	.6	.6	.6	1.0	2.0	333
Virginia fire- & sun-cured	Mil. lb.	.5	1.0	.3	.1	.4	40
Ky.-Tenn. fire-cured	Mil. lb.	1.9	1.0	1.6	.6	.5	50
Ky.-Tenn. dark air-cured	Mil. lb.	*	.2	*	.1	.1	50
Black Fat	Mil. lb.	.4	.4	.4	.2	.4	100
Cigar wrapper	Mil. lb.	.5	.7	.4	.5	.2	29
Connecticut binder	Mil. lb.	.1	.1	*	*	.1	100
Wisconsin binder	Mil. lb.	*	*	.7	.3	.1	---
Accumulated from beginning of marketing year 8/							
Flue-cured	Mil. lb.	442.3	33.1	420.0	442.8	18.5	56
Burley	Mil. lb.	20.5	22.5	22.6	24.8	28.5	127
Maryland	Mil. lb.	8.7	9.3	8.8	9.8	11.8	127
Virginia fire- & sun-cured	Mil. lb.	4.1	5.1	3.5	3.6	4.0	78
Ky.-Tenn. fire-cured	Mil. lb.	19.2	20.2	13.7	14.2	14.8	73
Ky.-Tenn. dark air-cured	Mil. lb.	1.9	2.1	3.1	3.2	3.3	157
Black Fat	Mil. lb.	3.9	4.3	3.2	3.5	3.9	91
Cigar wrapper	Mil. lb.	5.3	.7	4.8	5.3	.2	29
Connecticut binder	Mil. lb.	1.6	1.8	.4	.4	.5	28
Wisconsin binder	Mil. lb.	2.4	2.4	1.8	2.1	2.2	92
Exports of manufactured tobacco							
in bulk	Mil. lb.	.9	.2	.6	.5	.3	150
Accumulated from Jan. 1	Mil. lb.	4.5	4.7	3.7	4.2	4.5	96
Q u a r t e r l y d a t a							
		1958		1959			
		Apr.-June	July-Sept.	Apr.-June	July-Sept.		
Tobacco stocks--1st of quarter 9/							
Domestic types							
(farm-sales weight)							
Flue-cured	Mil. lb.	2,568	2,308	2,457	2,210		96
Burley	Mil. lb.	1,537	1,412	1,502	1,366		97
Maryland	Mil. lb.	62	77	60	77		100
Fire-cured	Mil. lb.	161	146	143	135		92
Dark air- and sun-cured	Mil. lb.	91	85	80	75		88
Cigar filler	Mil. lb.	206	200	198	195		98
Cigar binder	Mil. lb.	105	95	97	89		94
Cigar wrapper	Mil. lb.	25	21	24	20		95
Under Government loan 10/	Mil. lb.	1,053	1,007	1,025	1,004		100
Tobacco sheet 11/							
Cigarette types	Mil. lb.	1.6	1.4	.8	1.1		79
Cigar types	Mil. lb.	1.7	1.5	2.2	2.2		147
Foreign types (unst. equiv.)							
Cigarette and smoking	Mil. lb.	228	237	232	235		99
Cigar	Mil. lb.	27	26	43	43		165
Tobacco outlets 12/							
Seasonally adjusted data,							
annual rates, for charts, p.2:							
Cigarettes							
Production	Bil.	468	481	480	500		104
Tax-paid removals	Bil.	439	446	444	464		104
Cigar production	Bil.	6.37	6.68	7.01	6.96		104
Smoking production	Mil. lb.	78.4	75.0	74.9	74.2		99
Chewing production							
Scrap	Mil. lb.	34.1	31.3	32.6	31.2		100
Plug and other	Mil. lb.	36.8	36.8	35.1	35.4		96
Snuff production	Mil. lb.	34.6	35.6	33.5	34.6		97
Exports of leaf (farm-sales:							
weight)							
Total	Mil. lb.	507	520	478	488		94
Flue-cured	Mil. lb.	426	442	409	403		91

1/ Based on data for month specified. 2/ Prices paid by farmers including interest, taxes and wage rates. 3/ Seasonally adjusted. 4/ Seasonally adjusted, annual rate. 5/ Excise tax excluded. 6/ Federal and applicable state and local taxes included. 7/ Unstemmed equivalent. 8/ July 1 for flue-cured and cigar wrapper and October 1 for others. 9/ Holdings of manufacturers and dealers including grower cooperatives. 10/ Reported by grower cooperatives. 11/ Weight of tobacco leaf not including stems added. 12/ Data for most recent quarter are preliminary estimates. *Less than 50,000 pounds.

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